DOCUMENT RESUME

ED 092 048 HE 005 613

TITLE	Giving USA: A Compilation of Facts and Trends on American Philanthropy for the Year 1973.
INSTITUTION	American Association of Fund-Raising Counsel, Inc., New York, N.Y.
PUB DATE	74
NOTE	58p.
AVAILABLE FROM	The American Association of Fund-Raising Counsel, Inc., 500 Fifth Avenue, New York, New York 10036 ($2.50)
EDRS PRICE	MF-$0.75 HC-$3.15 PLUS POSTAGE
DESCRIPTORS	Annual Reports; Educational Finance; Financial Support; *Grants; *Higher Education; Incentive Grants; *Private Financial Support; Statistical Data; *Trusts (Financial)

ABSTRACT

This document presents a compilation of facts and trends on American philanthropy for the year 1973. Emphasis is placed on donors, recipients, sources of philanthropy (individuals, bequests, foundations, and corporations), and areas of philanthropic opportunity (religion, education, health and hospitals, social welfare, arts and humanities, civic and public affairs, and international affairs and foreign aid). Tables and graphs presenting statistical data are included. (MJM)

ED 092048

GIVING USA

1974 ANNUAL REPORT

A compilation of facts and trends on American philanthropy for the year 1973

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A publication of the American Association of Fund-Raising Counsel, Inc.

GIVING USA

A compilation of facts and trends on American philanthropy for the year 1973

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GIVING USA

A publication of the American Association of Fund-Raising Counsel, Inc.

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The American Association of Fund-Raising Counsel, Inc. is indebted to many individuals and organizations for material included in this issue of *GIVING USA*:

Agency for International Development: Mrs. Elsie M. Corro
American Association of Museums: Kyran McGrath
Associated Councils of the Arts: Sandra Dilley
Business Committee for the Arts: G. A. McLellan, Gideon C[illegible]
Council for Financial Aid to Education: Hayden W. Smith, Mrs. Z. Kriz Bent
Council on Foundations: Edward G. Thomson
The Foundation Center: Mrs. Marianna O. Lewis, Nathaniel Spear III
Internal Revenue Service, Income, Finance and Wealth Branch, Statistics Division: Robert Wilson, Chief
National Catholic Stewardship Council: Joseph B. Connor
National Center for Voluntary Action: Helga Roth
National Council of Churches, Dept. of Research: Constant H. Jacquet, Jr.; *Section on Stewardship and Benevolence*: Nordan C. Murphy
National Endowment for the Arts: Mrs. Fannie Taylor
National Endowment for the Humanities: Darrel deChaby
National Health Council: Arthur J. Grimes
Office of Education, National Center for Educational Statistics: W. Vance Grant
United Way of America: Oral Suer, Kenneth Unzicker

Appreciation is also extended to the staffs of many foundations, corporations, and national health and welfare agencies who participated in our surveys, the Conference Board, the National Association of Independent Schools, National Audubon Society, The National Catholic Educational Association, the American Alumni Council, the American College Public Relations Association, National Trust for Historic Preservation in the United States, American Hospital Association, and to Gladys Mac Gee for her review of statistical data.

The Chairman's Letter

Americans, in 1973, again set a new record for giving to philanthropy by increasing gifts over those in 1972 by $2 billion for an estimated total of $24.5 billion.

In spite of uncertainty and changing economic patterns, this achievement is continued evidence of the unique generosity shown by our citizens in working for and giving to the thousands of educational, cultural, research, religious, and welfare institutions that provide our society its strength and quality.

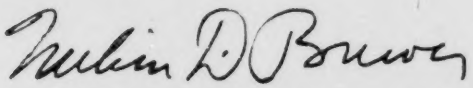
Although total giving has not kept pace with increases in Gross National Product or net disposable income, it has been a major factor in financing service for the public good which would otherwise have been impossible except by the use of immensely larger sums raised through taxation by all levels of government. Americans, it seems, have chosen volunteer support of our great institutions as one of our principal national goals—not because they have been prodded to do so by a paternalistic government, but simply because, as citizens of a democracy, they want the freedom to meet and to solve community problems in their own way.

Occasional threats to our system of private philanthropy continue to be made from a number of sources. They make the task of the institutions involved more difficult and lead to confusion of the donor. Gift recipients and donors alike should be on the alert constantly for those proposals which threaten the underlying philosophy of private philanthropy. Some are obvious and well-publicized, such as periodic efforts to change the tax structure on gift deductions in the name of "reform" rather than on the basis of logic and fairness.

A more insidious and dangerous view of philanthropy in the United States has gained strong acceptance among some of those drafting tax changes in Congress. This view holds that charitable activities and

giving are not so much personal commitments as government expenditures, i.e., that philanthropic money, because it is deductible, is therefore basically the government's money. If this view persists and if it gains further support in the legislative halls, the results to philanthropy could be catastrophic.

The annual record of giving is devoted to a summary of figures because it is impossible to visualize the incalculable contributions of private philanthropy to the hearts, the minds, and the physical well-being of mankind. The satisfaction of human needs beyond adequate food, housing, and clothing is unending. Our task therefore is to meet the challenges of the present year by encouraging more generous giving—giving on a par with the increased needs of institutions and the individuals they serve, and giving which will more adequately reflect the disposable income at our command and the inflationary pressures which continue to gnaw away at the foundations of our basic institutions.



MELVIN D. BREWER, Chairman

Philanthropy 1973

The year 1973 was one of contrasts, of illusion and disillusion, of good and bad, of questioning and sometime answering, of certainties and far more uncertainties, of high employment and larger incomes countered by a steep rise in inflation, of good corporate profits and a sagging stock market, of the ending of a war in Vietnam and the outbreak of new hostilities between Israel and the Arab nations.

In Washington and throughout the nation, attention was focused on the Watergate hearings during the early summer, on questions of morality, the Constitution, the Administration, the state of the nation and its leadership. Autumn brought the vice president's resignation and replacement, the possibility of a presidential impeachment, a crisis in energy spearheaded by stoppage of oil exports to this country from the Arab nations, and the highest rate of peacetime inflation in at least a quarter century.

For philanthropy, too, the year 1973 can be seen as one of contrast. Giving increased by $2 billion to $24.5 billion, 8.9 percent over 1972. But philanthropy is directed to charitable causes, which are perhaps more prone than other sectors of our society to inflation's effect. More dollars and more volunteered time help to close the gap between costs and income, but the current atmosphere is one of tighter budgets, of some cutting back, of unfilled needs and new opportunities crying out for additional funding.

To examine the state of the nation is one reason for the establishment this past November of the Commission on Private Philanthropy and Public Needs. Formed through the initiative of John D. Rockefeller 3rd and with the encouragement of Wilbur D. Mills, chairman of the House Ways and Means Committee, and Secretary of the Treasury George P. Shultz, the commission is chaired by John H. Filer, chairman of Aetna Life and Casualty Company.

It seeks to organize national leaders and established experts to look at the role of philanthropy in our society, to measure unmet needs, and to provide some answers on how we can improve the effectiveness of our pluralistic approaches to common wants.

In 1974, all sectors of philanthropy must dig deeper and give more generously so that our nonprofit organizations may accomplish more, rather than less; so that they can face the future in a stronger, rather than weaker, position; so that they can play their essential role in bringing the people vital resources which, without our help, would cease to exist.

Total Giving 1973—$24.53 billion (up 8.9%)

1973 Contributions (in billions)

Individuals . . . $18.16 (+9.4%)
Bequests . . . $3.06 (+12.1%)
Foundations . . . $2.36 (no change)
Corporations . . . $.95 (+13.1%)

Contributions as Percent of Total

Individuals/74%
Bequests/12.5%
Foundations/9.6%
Corporations/3.9%

Donors

Living individuals increased their giving to philanthropy in 1973 by $1.56 billion to $18.16 billion, a gain of 9.4 percent compared to last year's lower 7.5 percent increase.

Personal income during 1973 surged 10.3 percent to more than $1 trillion, the sharpest increase since 1951. During the final third of 1973, however, there was a sharp increase in the rate of inflation, and as 1974 began, individuals were seeking ways to counter inflated prices.

Bequests are estimated at $3.06 billion for 1973, an increase of 12.1 percent from last year's $2.73 billion. IRS figures on bequests are available every three years; the last IRS figure was for 1969, which showed a total of $2.13 billion, an increase of $820 million over 1966. Our estimate is $930 million over the 1969 figure. Statistics from the IRS on bequests in 1972 are expected to be available in the fall, at which time our estimates will be adjusted.

Foundations have a special potential for responding to the needs of society, and they play an important role in the philanthropic scene. In 1972, grants increased by 15.1 percent to $2.36 billion. In 1973, no change is seen in the total given, as foundation assets have decreased by some 10 percent, reflecting depressed stock prices.

Corporations have contributed a decreasing share of the philanthropic total in the last several years; in 1969, corporations contributed 5.7 percent of total giving—$1.055 billion—before sharply plummeting to $797 million in the following year. In 1973, we estimate the first sizable increase in corporate giving since 1970—an increase of 13.1 percent or $110 million—for a total of $950 million. The figures are a reflection to some extent of corporate profits, which fell sharply in 1970 and experienced a better-than 25 percent increase in 1973.

Recipients

Religious giving added $650 million to its total in 1973 to reach $10.09 billion, an increase of 6.9 percent over last year's revised figure of $9.44 billion. Religious causes continue to receive a decreasing share of the philanthropic total, dropping from 49.4 percent of all contributions in 1964 to 41.1 percent in 1973. Church attendance remained constant at 40 percent.

Health is the second largest recipient of philanthropic giving. An increase of 8.2 percent over last year brings the 1973 total to $3.98 billion. The annual AAFRC survey of 21 national health agencies showed a rise of 10.7 percent in 1973 over the prior year.

Education received $3.92 billion in 1973, with higher education receiving well over $2 billion of this. Inflated costs for food and energy are bringing real financial problems for the 1973-74 school year, particularly for the private sector, as cost estimates made a year ago prove too low.

Social welfare represents 7.2 percent of total philanthropy, with $1.76 billion going to these agencies in 1973. Giving to United Way increased by 6.6 percent.

Arts and humanities received an estimated $1.2 billion in 1973. The year saw a continued expansion in the demand for cultural activities together with growing needs for these financially hard-pressed institutions. It is paradoxical that as attendance and performance figures increase, the gap between costs and income is enlarged, necessitating increased philanthropic support.

Civic and public affairs received $600 million in 1973, as public interest grew in supporting good government, law and justice, housing and urban renewal, and programs in ecology and the environment.

Other represents 12.2 percent of philanthropic giving for 1973, for a total of $2.98 billion. Included are foundation endowment, foreign aid, and international affairs.

1973 Distribution (in billions)

Religion . . . $10.09 (+6.9%)
Health & Hospitals . . . $3.98 (+8.2%)
Education . . . $3.92 (+9.8%)
Social Welfare . . . $1.76 (+9.3%)
Arts & Humanities . . . $1.20
Civic & Public . . . . . $ .60 } (+16.9%)
Other . . . $2.98 (+10.8%)

Distribution as Percent of Total

Religion/41.1%
Health & Hospitals/16.2%
Education/16%
Social Welfare/7.2%
Arts & Humanities/4.9%
Civic & Public/2.4%
Other/12.2%

On Voluntarism

American philanthropy, which has grown to annual proportions of almost $25 billion, is the creature of an American tradition--voluntarism.

The tradition of neighbor helping neighbor came ashore with the Pilgrim Fathers, when forty-one of them pledged, on the Plymouth shores, to work for "a just and equal way of life." The pledge became immediately effective when neighbors banded together to withstand the rigors of the first New England winter, then to work together to educate the "heathen Indian."

From there the tradition of voluntarism has continued and prospered until today the growing voluntary service of individual citizens plays a major role in philanthropy --both in raising the funds required and also in providing actual service in the operation of philanthropic programs and causes.

The more than $18 billion contributed by living individuals to philanthropy in the past year was in no small part due to the endeavors of concerned individual citizens who presented the needs of philanthropic programs to their fellow citizens and obtained financial support.

There is no way to detail the actual number of those who participated in fund raising for private philanthropy last year, but figures from a score of national agencies support the estimate that one in every four citizens is engaged in some phase of serving private philanthropy.

The extent of voluntary work in philanthropic programs again is difficult to pinpoint, but in the many agencies supported by the United Way it has been indicated that there are 20 million voluntary workers and leaders engaged in operation of programs. In the voluntary hospitals and the American Red Cross, the "pink ladies" and the "gray ladies" alone can be counted in the many thousands.

Recruitment and organization of volunteers have

changed as the American life style changed. When American life was more of a community life than it is today the organization of neighbor-to-neighbor help was no problem. As urban life increased, however, and the communities gave way to groups living in high-rise apartments where there was little mutual acquaintance or neighborliness, the problem of organizing common action for the good of all was not easy. Then, as urban life began to give way to suburban life, the organization of voluntarism again became a common interest, not only in support of established programs but in reaching out into new fields of endeavor in matters of environment, economy, and civil life. In fact, participation in programs for the public good has become something of a measure of the stature of a citizen. Now, within the cities, the spirit of joint action for the common good has revived, often on the basis of ethnic or environmental interests. Community enterprises are recognized as a potential factor in the development of community programs and often measure the support of foundations and corporations.

Promoting the endeavor to arouse voluntary activity, the National Center for Voluntary Action, with government blessing, works with established organizations in a national program for the advancement of voluntary participation aiming to enlist youth and retired citizens, working men and women, and all who care, in volunteer activities within their communities.

The measure of the value of voluntarism can be found in a statement by Elliot L. Richardson, who, when Secretary of Health, Education, and Welfare, said, "... To extend the present range of HEW services equitably to all in need would cost a *quarter of a trillion dollars* ... (and) the addition of twenty million trained personnel. To the degree this nation can enlist volunteers for important, necessary tasks ... to that degree will we be able to deal simultaneously with shortages of manpower and money that cannot otherwise conceivably be overcome."

Current Volunteer Strength of 21 National Agencies

Organization	Number of Volunteers	Number of Fund-Raising Volunteers
United Way of America	20,000,000	n/a
United States Committee for UNICEF	3,512,500	3,512,500
American Cancer Society, Inc.	2,250,000	2,150,000
The National Foundation	2,200,000	2,000,000
American Heart Association	2,000,000	n/a
National Association for Retarded Citizens	1,760,000*	1,500,000*
The American National Red Cross	1,594,020**	n/a
National Council, Boy Scouts of America	1,162,114	n/a
Muscular Dystrophy Associations of America, Inc.	1,481,269	1,101,269
United Cerebral Palsy Association, Inc.	1,450,000	1,100,000
American Lung Association	1,000,000*	150,000*
The National Easter Seal Society for Crippled Children and Adults	800,000	n/a
National Multiple Sclerosis Society	700,000*	650,000*
National Council of YMCA	687,013	80,742*
Girl Scouts of America	582,000	n/a
The Arthritis Foundation	450,000*	430,000*
The Salvation Army	313,742	50,742
National Board, YWCA of the USA	160,000	n/a
Camp Fire Girls, Inc.	135,000	12,000
Boys' Clubs of America	132,000	81,000
United Service Organizations, Inc. (USO)	95,000	5,000
Totals	42,874,658	12,823,253

*Estimated

**Community programs only. An additional 3,114,743 contributed blood through the Red Cross, and more than 6,000,000 students participated in Red Cross programs in schools.

Sources of Philanthropy

Income Tax Deductions of Individuals for Philanthropy

Taxable & Nontaxable Returns

	Returns with Itemized Deductions	Adjusted Gross Income (000)	Deductions for Contributions (000)	% of Contributions to Adjusted Gross Income	Average Gift
1960	24,083,263	$181,131,130	$ 6,750,326	3.73	$280
1962	26,451,105	212,753,691	7,516,088	3.53	284
1964	26,909,591	244,070,127	8,326,986	3.41	309
1966	28,560,191	291,424,691	9,122,491	3.13	319
1968	32,030,231	368,917,506	11,138,925	3.02	348
1970	35,430,047	448,698,849	12,892,734	2.87	364
1972*	26,984,000	436,051,000	13,218,000	3.03	490

*Preliminary

Source: Statistics of Income, Individual Income Tax Returns 1960-1970, Internal Revenue Service

Individuals

For 1972, almost 27 million itemized income-tax returns showed deductions for contributions of $13.2 billion, 3.03 percent of adjusted gross income. As the data in the adjacent chart show, two big changes over 1970 have occurred. First, the average contributed rose to $490, 35 percent over 1970; and second, the number of those itemizing deductions decreased by 24 percent, from 35.4 million in 1970 to 27 million in 1972. A corollary is that itemized returns dropped as a share of the total returns filed from 47.7 percent in 1970, when 74.3 million returns were filed, to 34.7 percent in 1972, when 77.7 million returns were filed. These changes are a result of our tax laws, which from 1970 to 1972 doubled the allowable standard deduction—from $1,000 to $2,000—making it more favorable for many, particularly those in the lower income brackets, to take the standard deduction rather than to itemize.

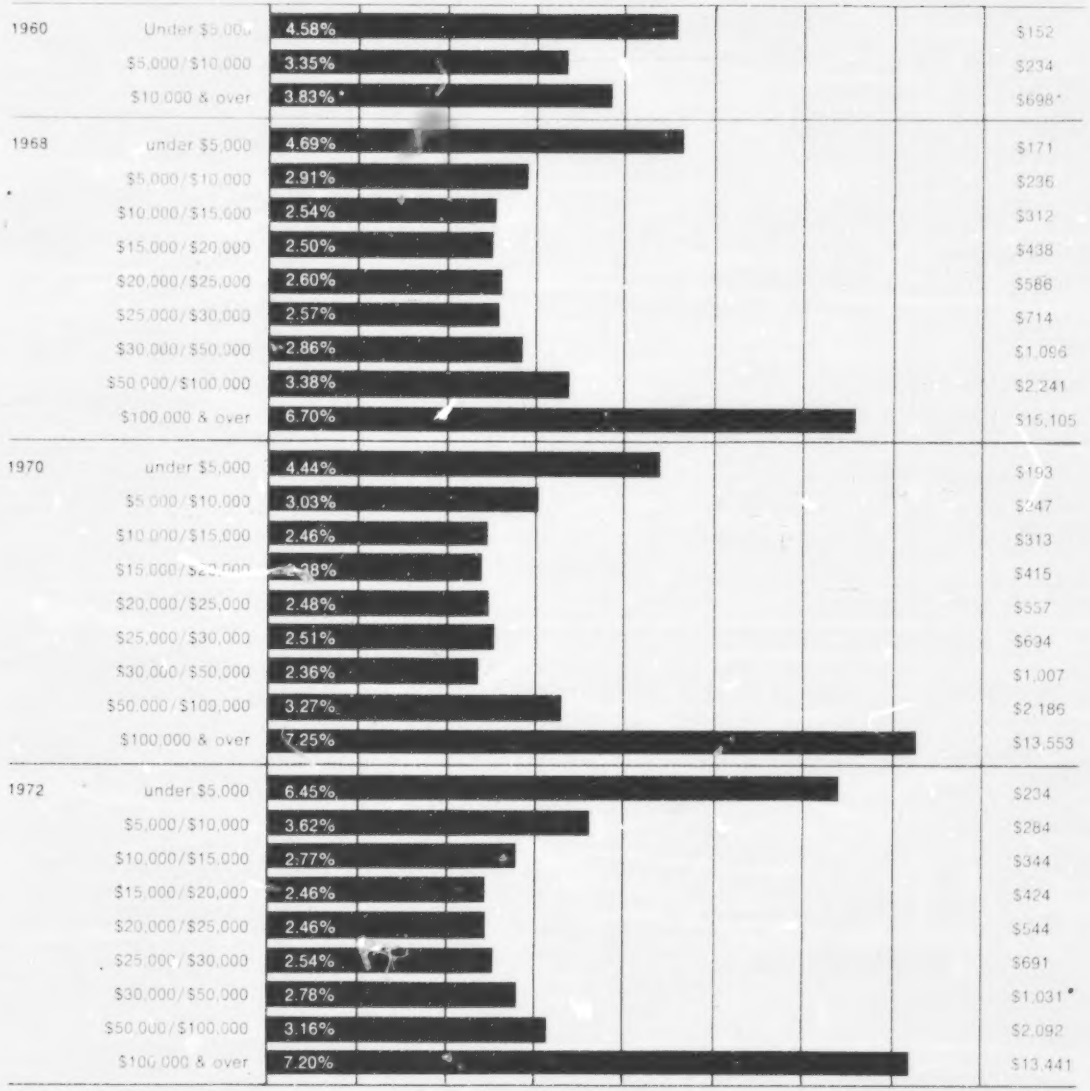
The bar graph shows the average amount contributed to charitable causes and the percentage of contributions to adjusted gross income at differing income levels; here it can be seen that a larger proportionate share of income goes to philanthropy from those in the lowest bracket (under $5,000) and those in the highest ($100,000 and over). These figures are based on IRS itemized tax returns.

A further breakdown of the 1972 $100,000-and-over class shows average amount contributed and percentage for those reporting AGI of $100,000/$200,000 were $6,020 and 4.60%; $200,000/$500,000 were $20,696 and 7.35%; $500,000/$1 million were $71,483 and 10.66%; and finally, $1 million plus were $385,757 and 18.27%. There were, however, just 1,011 returns with itemized deductions filed reporting AGI of $1 million or over. This compares with 7,957,000 returns with itemized deductions filed reporting AGI of $10,000/$15,000, largest of the classes.

In 1972, itemized charitable contributions totaled $13.2 billion, as noted above. Individual giving from those who

% of Contributions to Adjusted Gross Income†

(Based upon IRS itemized tax returns)



		Average Amount Contributed
1960	Under $5,000	$152
	$5,000/$10,000	$234
	$10,000 & over	$698*
1968	under $5,000	$171
	$5,000/$10,000	$236
	$10,000/$15,000	$312
	$15,000/$20,000	$438
	$20,000/$25,000	$586
	$25,000/$30,000	$714
	$30,000/$50,000	$1,096
	$50,000/$100,000	$2,241
	$100,000 & over	$15,105
1970	under $5,000	$193
	$5,000/$10,000	$247
	$10,000/$15,000	$313
	$15,000/$20,000	$415
	$20,000/$25,000	$557
	$25,000/$30,000	$634
	$30,000/$50,000	$1,007
	$50,000/$100,000	$2,186
	$100,000 & over	$13,553
1972	under $5,000	$234
	$5,000/$10,000	$284
	$10,000/$15,000	$344
	$15,000/$20,000	$424
	$20,000/$25,000	$544
	$25,000/$30,000	$691
	$30,000/$50,000	$1,031*
	$50,000/$100,000	$2,092
	$100,000 & over	$13,441

†The average amount contributed was determined by dividing those returns that itemized contributions into the total contributions figure. The adjusted gross income figure used was for all returns with itemized deductions.

*Breakdown for returns between $10,000 and $15,000 not available before 1966.

Individual Giving

Year	Personal Income (billions)	Individual Giving (billions)	As % of P.I.	Disposable Personal Income (billions)	As % of D.P.I.
1964	$497.5	$8.93	1.79	$438.1	2.04
1965	538.9	9.28*	1.72	473.2	1.96
1966	587.2	10.53	1.79	511.9	2.06
1967	629.3	11.14	1.77	546.3	2.04
1968	688.9	12.60	1.83	591.0	2.13
1969	750.9	13.80	1.81	634.4	2.14
1970*	808.3	14.40	1.78	691.7	2.08
1971*	861.5	15.40	1.78	746.0	2.06
1972*	939.2	16.60	1.76	797.0	2.08
1973	1,035.6	18.16	1.75	882.6	2.06

*Revised—March 1974

Source: Department of Commerce; AAFRC giving estimates

Charitable Bequests

A Historical Summary

Year	Number of Returns Filed	Total Gross Estate (Millions)	Value of Charitable Bequests (Millions)
1959	56,685	$11,648	$ 668.9
1961	64,538	14,522	950.8
1963	78,393	17,007	876.0
1966	97,339	21,936	1,309.5
1969	133,944	29,671	2,132.1

Source: Internal Revenue Service, U.S. Treasury Department

Large Bequests—1973

Donor, Amount, Recipient

Mrs. Geraldine Rockefeller Dodge—$85 million
Geraldine Rockefeller Dodge Foundation

Mrs. Helen Bonfils—$53 million
Denver Center for Performing Arts

Charles Stewart Mott—$40 million
Charles Stewart Mott Foundation

John Steele Zink—$13.1 million
John Steele Zink Foundation

Mr. and Mrs. Eugene Meyer—$5 million
Yale University

John W. Watzek, Jr.—$5 million
Phillips Academy

Mrs. Marie Chotzen—$3 million
Loyola University of Los Angeles

Mrs. Martha Levertone—$3 million
Dartmouth College

did not itemize is estimated at $3.4 billion, or an average of $67.07 for each of 50,691,000 returns taking the standard deduction. Total individual contributions for 1972 are thus estimated at $16.6 billion.

For 1973, it is expected that there will be filed approximately 78 million individual income-tax returns, a small increase over 1972. As shown in the adjacent chart, however, personal income during 1973 surged 10.3 percent to more than one trillion dollars, the sharpest increase since 1951. Disposable income rose to $882.6 billion, 10.7 percent over 1972. With wages and personal incomes at record levels, and employment of around 86 million in 1973, AAFRC estimates that individuals gave $18.16 billion to charitable causes during the year, an increase of 9.4 percent over 1972's $16.6 billion.

Bequests

The trend in bequest giving has been up—in 1963, bequests accounted for 8.3 percent of total giving; in 1966, 9.4 percent; and in 1969, 11.5 percent. Internal Revenue Service figures for these cover all estates of $60,000 or larger. The increase can be credited to a large degree to educational institutions, hospitals, health agencies, welfare organizations, and many others who have instituted programs to encourage bequests and have intensified their efforts in seeking them. Museums and art institutes have long recognized the importance of bequests to their programs and holdings, and as other institutions become more active in this area, the bequests share of total philanthropy is bound to grow.

For 1973, the AAFRC estimates bequest giving at $3.06 billion, or 12.5 percent of total giving, up 12.1 percent over last year's figure. Two of the largest bequests recorded by AAFRC were for foundation endowment, for $85 million and $40 million. The adjacent listing shows these and a sampling of others of $1 million or more noted during 1973. A summary of all million-dollar-and-up gifts recorded by AAFRC in 1973 is included in the centerfold of this report.

Foundations

A year ago, grants from foundations were estimated for 1972 at $2.2 billion, an increase of 7.3 percent over 1971. The estimate was based on an AAFRC survey of 31 leading foundations, which reported an increase of 3.6 percent in grant payments for 1972 over 1971 and some knowledge of greatly increased grants to be reported later in the year by one foundation. An additional factor taken into account was the increased payout requirement under the Tax Reform Act of 1969.

At year-end, AAFRC did a second survey to include 24 additional foundations with their 1971 and 1972 grant payments; it was found that when the totals were added to the 31 foundations surveyed earlier, the 55 foundations all together had made grant payments of $715.6 million, an increase of 14.1 percent over their 1971 grant-payment total of $627.9 million. This represented $87.7 million, more than half of the $150 million added to the 1971 figure for total foundation giving—too large a share, it is felt, to be realistic. Our 1972 estimate has thus been changed to $2.36 billion, up $310 million from 1971. These 55 foundations surveyed, then, would account for 30.3 percent of total foundation giving in 1972.

For 1973, foundation giving is estimated to be $2.36 billion, the same level as in 1972. Although the figure represents but 10 percent of total philanthropic giving, foundations play a vital role in philanthropy, for they have great flexibility in making grants. This gives them a special potential for responding to the needs of a changing society and for contributing toward new ideas and experimentation that, once proved of benefit, will be supported by the general public and by government.

Several different kinds of grant-making foundations exist, and these include private general-purpose foundations, community foundations, corporation-financed foundations, and family foundations. The total number is estimated at between 25,000 and 30,000; about one fifth of these have assets of at least $500,000 or make grants

Foundation Giving

of $25,000 or more on an annual basis. Less than 50 have assets of $100 million or more.

The largest share of foundation giving comes from the private general-purpose foundations. The table on the following page shows a group of 38 foundations, their grant *payments* for 1972 and 1973, most recent assets, and the estimated Federal excise tax liability due under the 1969 Tax Reform Act. Five foundations generally ranked in the top 20 of any listing are not included here, for 1973 information is not yet available. These are the Robert Wood Johnson, Richard King Mellon, and Emily and Ernest Woodruff foundations, the Pew Memorial Trust, and the Rockefeller Brothers Fund. The *GIVING USA Bulletin* will cover these and a number of other foundations when information becomes available later in the year.

The 38 foundations listed account for around 23 percent of estimated foundation giving in 1973 and for around 42 percent of total assets, estimated at about $26.5 or $27 billion at market value today. This is down about 10 to 12 percent from a year ago (the 38 foundations listed account for more than $1.3 billion of this loss, a 10.6 percent decrease). With assets down, the dollar payout required under TRA is also down, and this was taken into account when estimating total foundation grant payments at the same level in 1973 as in 1972. Under TRA provisions, an excise tax of four percent on investment income is paid to the Federal government. In fiscal 1972, $56 million was paid; in FY 1973, $76.6 million. This represents a direct loss to philanthropy.

The adjacent chart shows the distribution by field of all grants recorded in the *Foundation Grants Index*—$10,000 or more in 1970-72, $5,000 or more in 1973. In 1972, The Foundation Center shifted to a computer-based system of storage and retrieval, thus making it possible to separate out grants in any given area quickly and easily. At the same time, however, as can be noted on the chart, the number of grants recorded declined. For comparative purposes, the dollar amount of grants recorded in

Foundation Distributions by Field

Field	1970	1971	1972	1973
Education	36%	32%	23%	36%
Welfare	17%	16%	20%	9%
Health	15%	15%	17%	24%
Sciences	12%	10%	16%	12%
International	7%	10%	12%	9%
Humanities	7%	10%	8%	8%
Religion	6%	7%	4%	2%
Number of Grants	12,225	12,989	8,981	8,005

Source: *The Foundation Center, based on grants reported in Foundation Grants Index*

Some Leading U.S. Private Foundations Ranked by Payment of Grants (000)

Foundation	1972 Grant Payments	1973 Grant Payments	Assets at Year-End (Market Value)	Estimated 1973 Federal Excise Tax Liability
Ford Foundation	$215,890	$195,753	$ 3,145,579	$ 5,604
Rockefeller Foundation	40,613	40,272	838,980	2,635
Lilly Endowment, Inc.	14,258	31,113	1,138,500	784
Kresge Foundation	26,095	26,848	657,953	739
Andrew W. Mellon Foundation	32,020	26,542	647,924	1,372
W. K. Kellogg Foundation	18,611	20,092	577,328[1]	860[1]
Duke Endowment	18,646	19,171	366,888	1,000
Charles Stewart Mott Foundation	15,272	16,801	323,000	845
Alfred P. Sloan Foundation	13,918	14,135	284,328	542
Carnegie Corporation of New York	14,621	13,982	338,470	378
Danforth Foundation	11,947	12,288	197,513	226
Edna McConnell Clark Foundations	21,651	9,046	262,445	283
Frank E. Gannett Newspaper Foundation	2,787	7,500	178,000	215[2]
Commonwealth Fund	6,879	7,353	144,940	302
Moody Foundation	6,630	7,206	113,000[4]	219
John A. Hartford Foundation, Inc.	12,474	6,960	119,005	132
Houston Endowment Inc.	9,905[3]	6,929	250,000[4]	280
Haas Community Fund	5,142	6,146	162,608	117
Bush Foundation	5,405	5,883	147,177	215
Robert A. Welch Foundation	4,702	5,725	108,497	312
Amon G. Carter Foundation	3,755	4,755	70,000[4]	198
William R. Kenan, Jr. Charitable Trust	4,573	4,662	107,320	none
Louis W. and Maud Hill Family Foundation	3,112	4,440	118,560	220
Max C. Fleischmann Foundation	4,295	4,332	103,005	183
Research Corporation	4,208	4,181	91,288	155
John Simon Guggenheim Memorial Foundation	4,089	4,077	100,510	170
Charles F. Kettering Foundation	3,331	3,532	92,715	112
Charles Hayden Foundation	3,658	3,180	79,227	129
El Pomar Foundation	4,812	3,117	73,700[4]	125
James Irvine Foundation	2,290	2,874	99,211	109
Booth Ferris Foundation	2,146	2,820	63,756	100
Sarah Scaife Foundation Incorporated	2,790	2,541	84,640	203
George Gund Foundation	2,238	2,433	65,512	102
John and Mary R. Markle Foundation	1,992	2,288	60,053	52
W. Clement & Jessie V. Stone Foundation	3,721	1,976	1,046	6
Callaway Foundation, Inc.	1,927	1,693	71,107[5]	172
Henry Luce Foundation, Inc.	1,606	1,284	29,663	69
Elliott White Springs Foundation, Inc.	3,781	1,235	18,829	46
Totals	$555,790	$535,165	$11,332,277	$19,211

[1]Includes W. K. Kellogg Foundation Trust.
[2]Includes capital gains tax liability.
[3]Appropriations.
[4]Estimate.
[5]Book value.
Source: AAFRC survey, March, 1974. Community and corporate foundations are not included.

1971 was $1,066 million, just over half of the estimated total foundation giving; in 1973; it was $716 million, just 30 percent of total foundation giving. Because the dollar amount of grants recorded is smaller, the percentages may be overbalanced by very large grants in any one year. For example, the large increase in health may be caused by the entry of the Robert Wood Johnson Foundation in this field in 1973; and the large jump in education may be the result of two grants totaling $80 million made by a large foundation to two universities.

Preliminary results of the *Survey of Voluntary Support of Education* for 1972-73 of the Council for Financial Aid to Education, based on replies from 1,020 colleges and universities, show total foundation contributions of $409.9 million, 3.9 percent less than the $426.6 million reported by 1,093 institutions a year earlier when a 25-percent increase was recorded. For the 861 institutions reporting in both surveys, however, an increase of 2.1 percent in foundation support was noted.

Community foundations are endowed grant-making philanthropies supported by and operated for the communities and local areas they serve. In general, their primary purpose is to maintain and improve the quality of the community's fiber and of its social and cultural life. Endowment gifts from the community are administered under the direction of a representative governing body of community leaders, who are responsible for grant programs and charitable activities. Donors sometimes mark out particular purposes for their gifts, subject to the governing body's power to alter restrictions because of changed community circumstances, thus ensuring the continuing charitable use of these funds in the community.

Because of their public nature, community foundations can qualify as "public charities" not subject to the four percent excise tax and other regulatory provisions that apply to private foundations. Recent community foundation growth has been substantial. Last year, we reported an increase in community foundation aggre-

Sixteen Large Community Foundations

	Assets (Market Value) (000)	Total Grants (000)
Committee of the Permanent Charity Fund (Boston)	$ 79,360	$3,198
The Chicago Community Trust	106,908	3,147
The Cleveland Foundation	166,785	6,617
Hartford Foundation for Public Giving	44,680	1,375
The Indianapolis Foundation	18,996	726
Kalamazoo Foundation	25,953	1,175
New Haven Foundation	32,650	1,199
New York Community Trust	201,573	7,836
Philadelphia Foundation	33,929	1,259
The Pittsburgh Foundation	28,879	1,072
The Rhode Island Foundation	16,704	685
The San Francisco Foundation	48,717	4,204
The Vancouver Foundation	45,000	2,600
The Winston-Salem Foundation	29,631	952
California Community Foundation	21,564	1,842
Kansas City Association of Trusts and Foundations	17,000	658

Source: *Council on Foundations*

gate assets of 30% since the Tax Reform Act took effect; current figures indicate another 10% increase.

Overall, preliminary data indicate that some 250 community foundations in the United States and Canada are administering almost $1.15 billion in assets. Total annual grants are approaching $60 million and are up ratably with asset growth. Aggregate gifts-received figures have declined somewhat and are estimated at about the same level as annual grants.

Heretofore, some part of the impressive growth record established by community foundations in post-'69 TRA years has been attributed to transfers from terminating private foundations. Current information indicates that transfers are still occurring, but at a reduced pace.

Community foundations differ from private foundations in that their charters require them to focus their giving within their local community. They try to make things happen, or help things happen, which couldn't or wouldn't without this kind of local funding—flexible in time, amount, and conditions. Grants cover a wide diversity of community needs; as shown on the adjacent chart, almost half of every dollar goes for social welfare and civic improvement, two vital areas of special relevance to community foundations.

Corporations

All indications are that corporate giving, after three years at a level of less than $850 million, has increased by some 12 to 15 percent. Our estimate for 1973 is that corporations contributed $950 million to charitable causes, 13.1 percent over the 1972 estimate of $840 million. Although this figure does not include grants made by company-financed foundations, it does include contributions made by companies to their foundations. The increase comes at a time of sharply rising profits, as can be seen in the adjacent chart.

For a group of companies responding to an AAFRC survey, the increase in contributions for 1973 was 12.8 percent. More than half of the companies replying had

Community Foundation Distributions by Field

Field	1966	1968	1970	1972
Education	21.4%	18.4%	16.4%	19.6%
Social Welfare	34.8	32.1	36.3	36.1
Health	19.8	17.3	19.1	19.3
Humanities	9.4	10.5	9.8	10.4
Religion	2.4	2.6	2.1	1.8
Civic Improvement	7.5	15.6	15.2	11.7
Other	4.7	3.5	1.1	1.1

Source: Council on Foundations

Corporate Giving

Year	Profits Before Tax (billions)	Amount Contributed (millions)	% of Profits Subject to Tax
1964	$ 66.8	$ 729	1.09
1965	77.8	785	1.01
1966	84.2	805	.96
1967	79.8	830	1.04
1968	87.6	1,005	1.15
1969	84.9	1,055	1.24
1970	74.0*	797	1.08*
1971	85.1*	840	.99*
1972	98.0*	840	.86*
1973	126.6	950	.75

*Revised—March 1974
AAFRC estimate

foundations; and an increase of 18 percent was recorded for contributions to the foundations in 1973 over 1972. Giving by these foundations, however, was virtually the same (a decrease of .7 percent) as in 1972. Although the sampling of corporate foundations is small, it may indicate that in this very good profit year, corporations are replenishing to some extent their foundation assets. Indeed, this was a prime reason for setting up these foundations.

A 1970 Conference Board survey of 240 corporate foundations indicated that some 10 percent were being phased out, perhaps in part because of the 1969 Tax Reform Act. This does not appear to be a continuing trend; it would seem that the donor corporations are making new contributions to replenish assets as they are used in those foundations that are not funded. In the most recent Conference Board *Biennial Survey of Company Contributions*, 58 percent of the total giving reported for 1972 was accounted for by company foundations; this compares with 60 percent in the 1970 survey.

The estimated $950 million contributed by corporations in 1973 is less than five percent of total philanthropic giving, yet it has made an impact in many areas. In the field of education, more than one third of the total is unrestricted as to purpose, according to the Conference Board survey, thus making it possible for recipients to use it where most needed; scholarships and fellowships account for 16 percent; capital funds, 15 percent.

Almost 30 percent of the close to $1 billion raised in 1973 by more than 2,000 United Way organizations came from the business community, with executives and employees giving almost double this percentage. Health and welfare together account for perhaps 40¢ of each dollar contributed. For civic causes, AAFRC estimates that about $100 million was contributed by corporations in 1973, and close to $80 million to cultural centers, museums, and other arts organizations and purposes.

Dollars are but a part of the contributions made by business and industry to our society. Gifts-in-kind—a

piece of equipment or products given to an education institution, drug addiction center, home for the aged, or for disaster relief—may be many times the dollar amount shown on the IRS return. Many companies encourage employee participation in community affairs, and a number grant leaves of absence, with pay, so that an employee can work with an educational or other institution for a year. Hiring and training practices have brought jobs and hope to many previously counted in the hard-core unemployed; business has also invested in ghetto enterprises and participated in construction and rehabilitation of low-cost housing. As can be seen by these examples, "corporate giving" figures tell just part of the story of corporate contributions in any year.

Religion

During 1973, church concern focused on strengthening religion as an institution, as a social force, and as a set of beliefs through continued examination of ways to meet the needs of the people and of the role of the church in the community.

Some church groups seem more socially conscious than ever before, a consciousness reflected in part by the naming of women, blacks, and younger people to positions of leadership within organized religion. Although equality is not yet a fact in any major religious body, an increasing number of professional job opportunities exist today for women and minorities in areas heretofore closed to them, and their presence on many church boards and committees has increased.

Falling short of its goal, Key 73, a year-long evangelical drive backed by more than 140 church groups, nevertheless brought a spirit of cooperation and a mutual understanding to a number of religious denominations.

Locally, in Christian education, churches are crossing denominational lines to conduct joint educational programs; on a regional level, they are combining forces for leadership training; nationally, denominations are cooperating in the design of a variety of curricula to

meet the specific needs of congregations that vary socially, economically, or theologically. These positive trends may counter declining enrollments in church schools noted by many major Protestant denominations.

There appears to be a growing interest in religion, a preoccupation by some with Eastern religions, mysticism, astrology, communal living. The visit to the U.S. during the past year of the young Indian Guru Maharaj Ji, climaxed by a convention of his followers at the Houston Astrodome, is but one sign. Long lines wait to see "The Exorcist," and many seek to understand the meaning of their lives within a religious framework.

On many campuses, a definite upsurge of student interest in religion and a growing concern for things theological were reported. The most recent annual survey of entering college freshmen conducted by the American Council on Education shows the first drop since 1966 in the percentage of students selecting "none" as their religious preference. At the same time, the number of those indicating a preference for Protestant, Roman Catholic, and Jewish identification has increased.

Membership Total church membership in 223 denominations at the start of 1973 was 131,424,564, representing almost 63 percent of the total population, according to an annual survey of the National Council of Churches (NCC). This was an increase of 34,922, with many of the larger liberal Protestant denominations continuing to report slight declines.

Catholics numbered 48,460,427 at the beginning of 1973, an increase of 69,437 over 1972. There are now 32 Archdioceses in the United States, with a Catholic population of 21,790,123, a growth of 41,390; of these, seven have populations in excess of one million. The 131 Dioceses reported an increase of 28,047. All together, Catholics represent 23.1 percent of total population.

The six major black denominations—of which the largest is the National Baptist Convention, U.S.A., Inc., with more than six million members—have a total mem-

Church Membership (in millions)

Source: National Council of Churches

bership of approximately 13.5 million nationwide.

Attendance In a typical week of 1973, 40 percent of all adults attended church or synagogue—the same percentage as recorded in the prior two years—according to the latest Gallup Poll. Since 1958, however, attendance has dropped a total of nine percentage points, and this decline can be attributed almost entirely to falling attendance among Catholics. In 1973, the percentage of Catholics who attended church in a typical week was 55 percent; in 1964, a decade earlier, the comparable percentage was 71. For Protestants during the same 10-year period, 37 percent attended in an average week in 1973, compared to 38 percent in 1964.

National attendance figures project to approximately 55 million adults who attended church or synagogue in a typical week. Other findings indicate that women are better churchgoers than men, the best attendance record is found in the South and Midwest, and young adults, 18 to 29, are less likely to attend church than older adults.

Giving Trends Total contributions to the nation's major Protestant churches rose in 1972, the latest year for which statistics are available. Compiled by the NCC, the 1972 total for 39 denominations equaled $4.616 billion, $229 million or 5.2 percent more than the previous-year total of $4.387 billion reported for 42 denominations. For 12 denominations, which make up some 85 percent of the total, the increase in contributions was 6.2 percent, as shown on the adjacent chart. The average gift during 1972 was $110.29, compared with an average yearly gift of $103.94 per *full* member in 1971 (full members are those with full, communicant, or confirmed status). For *inclusive* membership—full members plus other members listed as baptized, nonconfirmed, or non-communicant—the comparable figures are $99.16 for 1972, $93.35 for 1971. Churches where tithing is strongly emphasized show the highest rates of per-capita giving. The highest of the 39 is the Seventh-day Adventist

Protestant Giving in 12 Denominations

1972 Figures Shown with Increase or Decrease from 1971

Church & Membership*	Total Contributions (millions)	Average Gift
American Baptist Churches in the U.S.A. (1.48 million)	+$3.89 to $137.44	+$7.15 to $92.60
American Lutheran Church (2.49 million)	+$10.27 to $184.92	+$4.95 to $74.20
Church of the Nazarene (404,732)	+$4.90 to $97.90	+$5.96 to $241.89
Episcopal Church (3.06 million)	+$12.72 to $270.25	+$8.20 to $88.24
Lutheran Church in America (3.03 million)	+$10.81 to $233.98	+$4.41 to $77.11
Lutheran Church—Missouri Synod (2.78 million)	+$15.02 to $267.53	+$5.62 to $96.19
Presbyterian Church in the U.S. (946,536)	+$10.61 to $156.58	+$11.74 to $165.42
Seventh-day Adventists (449,188)	+$18.28 to $187.40	+$27.43 to $417.20
Southern Baptist Convention (12.07 million)	+$96.22 to $1,071.14	+$6.34 to $88.78
United Church of Christ (1.90 million)	+$8.02 to $193.35	+$5.94 to $102.03
United Methodist Church (10.19 million)	+$42.61 to $885.71	+$5.32 to $86.90
United Presbyterian Church in the U.S.A. (2.91 million)	+$4.10 to $372.15	+$5.81 to $127.93

Total Membership: 42.03 million (1971)
41.71 million (1972)

Total Contributions:
1971—$3,820,930,000
1972—$4,058,350,000 (up 6.2%)

Average Gift:
1971—$90.91
1972—$97.30 (up 7.0%)

*Inclusive membership figures are given.

Source: *Yearbook of American and Canadian Churches*
© National Council of Churches (1974)

Church, whose 449,188 members contributed an average $417.20 during the year. Seventy percent of the $187.4 million total contributed was earmarked for benevolences, contrary to the usual pattern among most church bodies where such allocations average 20 percent.

In addition to giving to the local parish church, Catholics are requested to support their regional diocese or archdiocese. An annual diocesan development fund survey of the National Catholic Stewardship Council includes seven reporting parishes common to both 1972 and 1973. In 1973, the total pledged for the seven rose from $6,579,024 to $6,886,940, a 4.7 percent increase. The financial reports of the dioceses also show rising income. An Eastern diocese experienced a 9 percent increase in parish income during the 1972-73 fiscal year; one large Midwestern archdiocese experienced a 6.5 percent increase in parish income over the same period of time, a second showed a 5.4 percent increase. In the Catholic Church, there is an increasing emphasis being given to the concept of percentage giving; for those who designate a specific percent of their income for the church, contributions increase as income increases.

Total contributions for religion for 1972, as estimated by the AAFRC, have been revised to reflect the new data. For 1973, it is estimated that giving to religion surpassed $10 billion to reach $10,090 million, an increase of 6.9 percent over 1972. In spite of increased giving, as with other institutions, the church is feeling the pinch of inflationary pressures at all levels of activity—local, regional, and national.

Giving to Religion (in billions)

Other Trends The value of new construction increased 9.6 percent in 1973 to $925 million, marking the fifth year that this figure has been less than $1 billion. The Department of Commerce estimates an increase to $1 billion in 1974. With steeply rising construction costs, however, no significant growth is seen if constant dollars are used.

Education

Education processes in the United States continue to involve more than 30 percent of the population. In 1973-74, the total was more than 62.2 million—59 million students, 2.9 million teachers, and 300,000 administrators—with total expenditures estimated at $96.7 billion for the year, 8.2 percent over the $89.4 billion spent in 1972-73.*

Total **enrollment** of 59 million students in fall 1973 shows a small decrease, the second after 27 years of increase had brought enrollment to 59.7 million in fall 1971. This was anticipated, and it reflects the smaller number of 5-to-13 year olds. The decline in elementary-school enrollment was about 1.8 percent, from 35.7 to 35.1 million. High school enrollment increased slightly to 15.5 million, but it is expected to taper off starting in 1976 and continuing for several years thereafter; in the nonpublic schools, enrollment held steady at about 1.3 million, while the number of public school students increased from 14 to 14.2 million.

In the area of higher education—universities, colleges, and community colleges—fall 1973 enrollment reached 9,662,763, a new high and 3.9 percent over a year earlier. Of these, 8.4 million are enrolled in degree-credit programs, about 1.3 percent more than last year, with virtually all of the increase in public institutions.

The total figures show that university enrollments were up 3.2 percent (private institutions showed no increase, however); other four-year institutions up .5 percent (public institutions showed a loss of 3.2 percent in full-time enrollment, however); and two-year institutions up 9.2 percent (the percentage increases for all students here are substantially greater for women than men). It is interesting to note that in every category the percentages for women are showing a greater increase than those for men, and the number of part-time students,

*Source of most of the statistics in this section is the U.S. Office of Education, National Center for Educational Statistics.

Enrollment of School-Age Population, Fall 1973

Five-year-olds	84%
Six- to 13-year-olds	99%
14- to 17-year-olds	94%
18- to 24-year-olds	26%

Source: U.S. Dept. of Commerce, Bureau of the Census

both men and women, has increased in every category, making this the fastest growing segment of higher education and giving a statistical base to a perceived trend toward more "continuing education," "adult education," "nontraditional," and "back-to-school" programs for many past formal school age, particularly women.

Black enrollment has more than tripled since 1964 and today accounts for approximately six to nine percent of total college enrollment. Blacks make up about 12 percent of college-age youth. Twenty to 25 percent of the students are in the predominantly black private and public colleges, and about 40 percent are in the community colleges. With student financial aid becoming tighter, particularly in the privately controlled colleges and universities, it is far more difficult for these young people, three out of four of whom come from families whose annual income is less than $10,000, to meet the costs of either private institutions or public universities. Entering black freshmen made up 7.8 percent of the total last fall, while in 1972 the percentage was 8.7, according to a recent survey of the American Council on Education. The percentage of all minority-group members dropped from 14.8 to 13.0 in the same period.

A recent report from the Bureau of Labor Statistics, however, showed that in 1972, for the first time, the percentage of black and other minority-race high school graduates who enrolled in college was roughly the same as for white graduates (47.6 compared with 49.4). In 1968, comparable percentages were 46.2 for minorities, 56.6 for whites. These figures also indicate that, contrary to earlier predictions, a lesser percentage of high school graduates is continuing on to college. This trend is one which should be watched closely, for if the percentage of high school graduates going on to college continues to fall, and the number of graduates from high school levels off and then decreases, as expected, total college enrollment will experience a greater decline in a very few years than is now expected.

There are 2,340,000 **teachers** in elementary and secondary schools; 210,000 of these are in nonpublic schools. A continuing improvement is noted in the teacher-pupil ratio—21.6 pupils per teacher this fall as compared with 25.5 a decade ago. Faculties in institutions of higher education number about 610,000, two thirds of whom are in public institutions.

New construction of nonpublic schools at all levels reached a peak in 1969 with a total cost of $1.029 billion; in 1972, it stood at $968 million; for 1973, down 7 percent to $900 million. For public institutions, new construction reached $6.016 billion in 1968; in 1972, the level was $5.720 billion; in 1973, $6.750 billion, up 18 percent. This large increase can be tied directly to new housing development.

The Costs of Education Expenditures of public and private education from kindergarten through graduate school for 1972-73 are estimated at $89.5 billion, an increase of 6.8 percent over 1971-72's $83.8 billion. Preliminary estimates place the 1973-74 figure at $96.3 billion, an increase of 7.6 percent over 1972-73, and in 1974-75, it is expected to rise to $105 billion. Expenditures in 1972-73 represent 7.7 percent of 1972 Gross National Product, for 1973-74, 7.5 percent. This percentage appears to have leveled off, after rising from a low of 1.8 percent in 1943-44, when the nation was fighting World War II, to 7.9 percent recorded three years ago.

Giving Trends In 1963, **philanthropy** supplied $1.8 billion to education; for 1973, it is estimated that private sources provided $3.92 billion to education, an increase of 9.8 percent over last year's $3.57 billion. As a percentage of total expenditures, philanthropy has supplied a little more than four percent, a decrease of about one percent from 10 years ago. Even though this percentage has declined, philanthropy continues to play a crucial role in education support, particularly in the independent sector.

Expenditures for Education, 1971-72 and 1972-73 (in billions)

	1971-72	1972-73
Public Institutions		
Elementary	$48.8	$52.1
Higher Education	19.9	21.2
Totals	$68.7	$73.3
Private Institutions		
Elementary	$ 5.1	$ 5.4
Higher Education	10.1	10.8
Totals	$15.2	$16.2

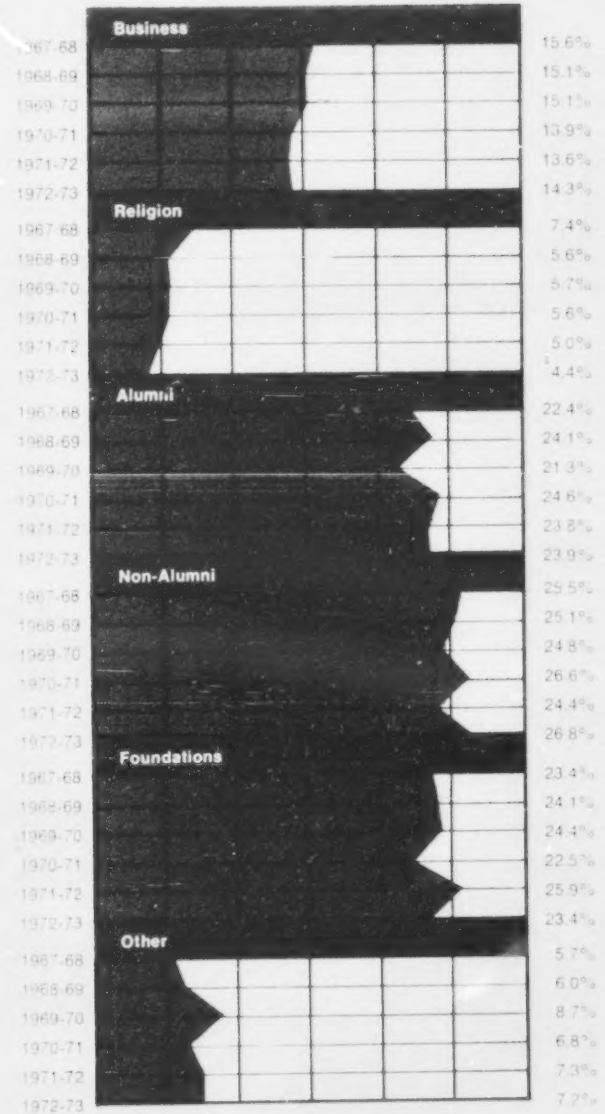
Expenditures for Education by Source of Funds 1972-73 (in billions)

	Public Schools	Private Schools
Elementary and Secondary Schools		
Federal	$ 4.8	$ —
State	21.0	—
Local	26.2	—
Other	.1	5.4
Higher Education		
Federal	$ 2.9	$ 1.6
State	8.6	.2
Local	1.2	.1
Other*	8.5	8.7
Totals	$73.3	$16.2

*Includes loans from all sources

Source: National Center for Educational Statistics

Giving to Higher Education



Source: Council for Financial Aid to Education

Preliminary figures from the Council for Financial Aid to Education's annual *Survey of Voluntary Support of Education*, with 1,020 colleges and universities participating in 1972-73, show an increase of 6.3 percent in private gifts and grants over 1971-72, when 1,093 institutions participated. For the 861 institutions participating in both surveys—602 private and 166 public four-year schools and 93 two-year colleges—total support reached $1.66 billion in 1972-73, an increase of 9.6 percent over 1971-72's $1.51 billion.

For the 861 institutions, 45.6 percent of the total in 1971-72 was received by the 63 major private universities reporting, or an average $10.95 million each; of the 1972-73 total, they accounted for 42.2 percent, or an average $11.12 million each. Next on the scale of average amount received in 1972-73 were the 166 public four-year institutions, with $2.15 million each, followed by private men's ($1.55 million), professional and special ($1.46 million), private coed ($1.07 million), private women's ($745,000), and two-year colleges ($230,000). The largest increases were recorded by the two-year colleges (+28.1%), public institutions (+20%), and private coed colleges (+19%).

The adjacent chart shows a six-year record of the share contributed to *all* reporting institutions by business, religion, alumni, non-alumni, foundations, and other. A year ago, the total amount contributed by foundations was up 25 percent over 1970-71. This year, it decreased by 3.9 percent for *all* reporting institutions, and recorded a 2.1 percent increase for the 861 institutions in both surveys, bearing out our estimate of no increase in total foundation giving in 1973, after a 15.1 percent increase in 1972 over 1971. Individuals—alumni and non-alumni together—account for 50.7 percent of the total given in 1972-73, up 11.7 percent over the year earlier (for institutions in both surveys, the increase is 12.6 percent). Giving by religious denominations decreased once again—off 4.5 percent—reflecting the eco-

nomic pinch these institutions are feeling today as costs rise faster than income.

Rising profits for business brought an increase in contributions in 1972-73 of 15.6 percent to the 861 colleges and universities in both surveys for a total of $235.8 million. These 861 institutions received 94.4 percent of the business support reported by all 1,020 institutions replying to the survey. Of this amount, 35.2 percent went to the major private universities; 32.9 percent to public institutions; 22.3 percent to the private coeducational schools; and the remaining 9.6 percent to the other educational categories. Looking back to the 1968-69 survey, when business contributions of $210.4 million were recorded for 828 institutions, it is interesting to note that at that time major private universities received 38.1 percent of the total given; public institutions 26.5 percent; private coeducational schools 20 percent; and other categories 15.4 percent. Clearly, the four-year public institutions have gained in corporate support over the recent past.

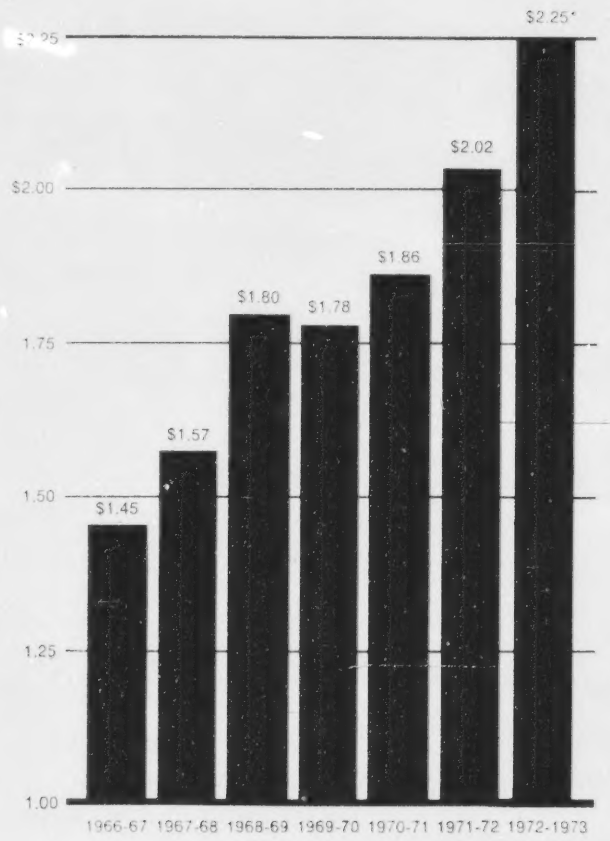
The National Association of Independent Schools reported that 585 schools, or 73.2 percent of its membership, had total gifts of $140.7 million in 1972-73, an increase of 15.2 percent over 1971-72's $122.1 million. Capital giving amounts to about 65 percent of the total, a larger percentage than that for the higher educational institutions.

Two other reports are also of interest. The United Negro College Fund, which carries on an annual campaign to raise operating revenues to aid its 41 predominantly black member colleges, received contributions of $9.544 million in 1973, 1.9 percent over the $9.366 million contributed in 1972. Of the total, corporations contribute some 41 percent, foundations 25 percent, and individuals, groups, and others the rest. Bequests totaled an additional $118,296 in 1973.

The Independent College Funds of America, the national coordinating and service center for 39 state and

Estimated Total Voluntary Support of Higher Education

(in billions)



*Preliminary

Source: Council for Financial Aid to Education

Total Giving 1964-73 (in billions)

The Growth of Philanthropy 1964-73

Year	Total Giving (billions)	1967 Dollars (billions)	Gross National Product (billions)	As % of GNP
1964	$11.44	$12.31	$ 632.4	1.81
1965	12.21	12.92	684.9	1.79
1966	13.89	14.29	749.9	1.85
1967	14.77	14.77	793.9	1.86
1968	16.81	16.13	864.2	1.95
1969	18.58	16.92	930.3*	2.00
1970	19.30	16.60	977.1*	1.98
1971	21.29	17.55	1,055.5*	2.02*
1972	22.53*	17.98*	1,155.2*	1.95*
1973	24.53	18.43	1,289.1	1.90

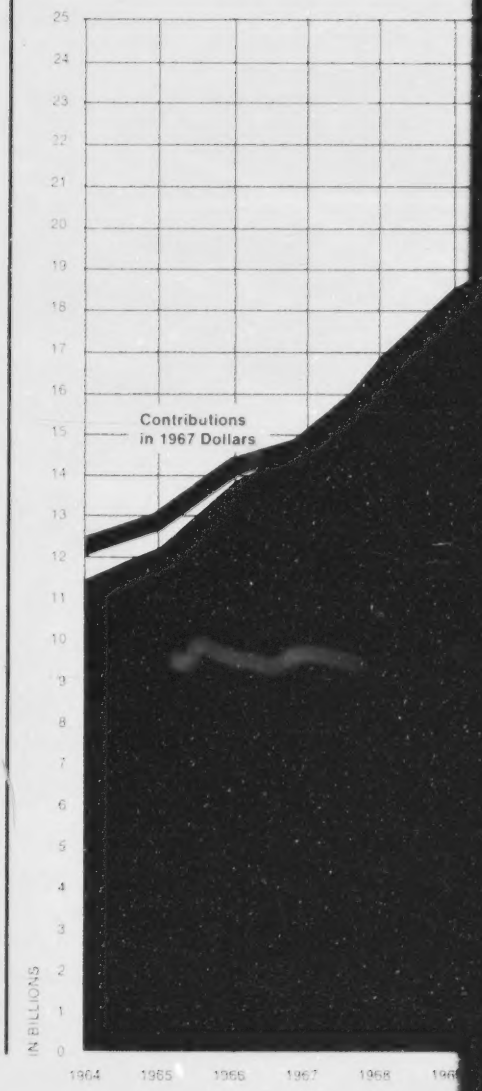
Revised--March 1974

AAFRC Survey of Million Dollar Gifts—1973

	Bequests (28)	Corporations (13)	Foundations (136)	Individuals (67)	Total (244)
Religion	$ 4,000,000	$ —	$ —	$ 2,300,000	$ 6,300,000 (.7%)
Education*	36,028,160	11,550,000	288,459,026	87,666,448	423,703,634 (44.6%)
Health and Hospitals*	11,200,000	1,000,000	56,529,375	10,302,225	79,031,600 (8.3%)
Social Welfare	5,000,000	1,500,000	5,850,000	1,000,000	13,350,000 (1.4%)
Arts and Humanities	52,500,000	2,000,000	36,943,600	123,500,000	214,943,600 (22.6%)
Civic and Public	—	12,600,000	40,905,119	3,300,000	56,808,119 (6.0%)
Foreign and International	2,000,000	—	11,898,000	3,000,000	16,898,000 (1.8%)
Foundation Endowment	138,100,000	—	—	1,000,000	139,100,000 (14.6%)
Totals	$248,828,160 (26.2%)	$28,650,000 (3%)	$440,588,120 (46.4%)	$232,068,673 (24.4%)	$950,134,953 (100%)

*Grants to medical and dental schools are included in education.
Source: Newspapers, magazines, news releases, other published materials, AAFRC research*

Donors



Bequests

Corporations

Foundations

Individuals

1971 1972 1973

Individuals

1964	$8.93
1965	9.28
1966	10.53
1967	11.14
1968	12.60
1969	13.60
1970	14.40
1971	15.40
1972	16.60*
1973	18.16

Bequests

1964	$ .95
1965	1.02
1966	1.31
1967	1.40
1968	1.60
1969	2.13
1970	2.20
1971	3.00
1972	2.73
1973	3.06

Foundations

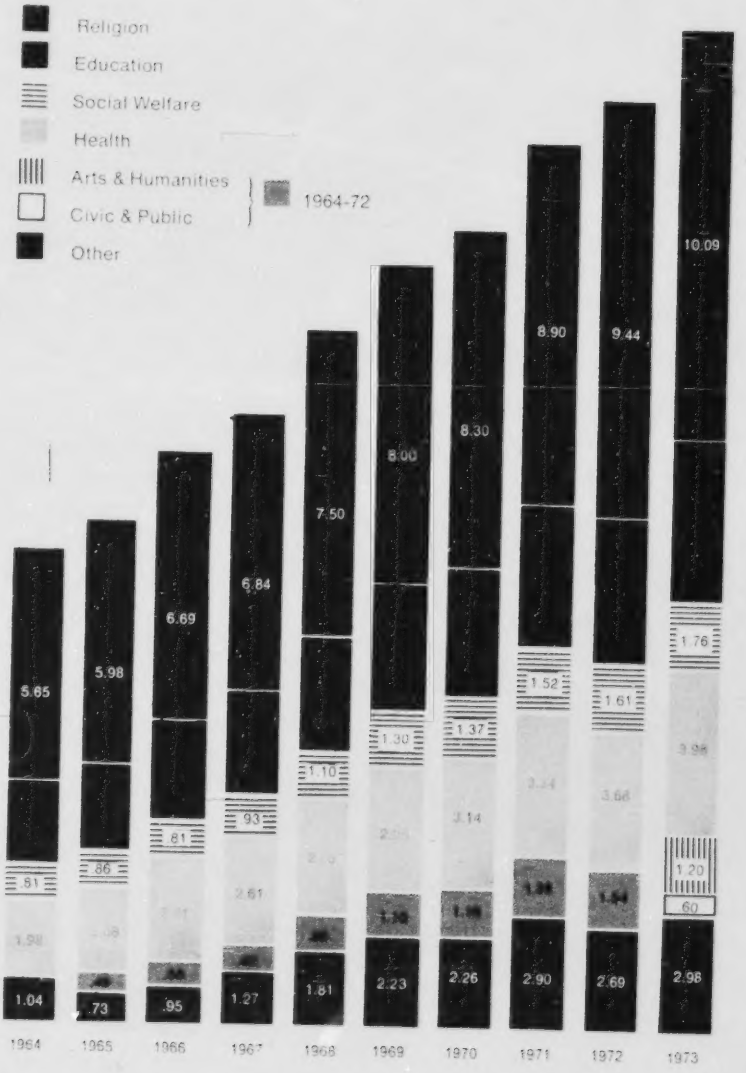
1964	$ .83
1965	1.13
1966	1.25
1967	1.40
1968	1.60
1969	1.80
1970	1.90
1971	2.05
1972	2.36*
1973	2.36

Corporations

1964	$ .73
1965	.79
1966	.81
1967	.83
1968	1.01
1969	1.06
1970	.80
1971	.84
1972	.84
1973	.95

*Revised

Recipients



regional associations representing 548 colleges, reported total grants to the associations for 1972-73 of $19.8 million, an increase of 6.1 percent over 1971-72.

Each year, the AAFRC surveys the progress of college and university capital gifts and development programs with goals of $10 million or more. In 1973, $582.1 million was contributed to 104 programs, the survey showed, an increase of 14.1 percent over 1972's $510 million received by 105 colleges and universities. During the year, 7 campaigns were completed, having raised $230.6 million; and new programs in 1973 and early 1974 were announced by 22 institutions with combined goals of $1.4 billion. All told, 97 active programs were under way in early 1974 with a combined goal of $4.3 billion, of which $2.7 billion remained to be raised.

Government support at all levels has multiplied as the needs of public institutions have increased with a fast-growing population and an emphasis on educational opportunity for all beyond high school in some form of postsecondary institution. In 1964, federal support for all levels of education was $2.4 billion; in 1974, it is expected to reach $12.8 billion. Grants to higher education have quadrupled during the past decade, and aid to elementary and secondary education increased more than six-fold.

Appropriations by the 50 states for higher education's operating expenses totaled $9.7 billion for 1973-74, in contrast to $2.2 billion in 1963-64 and $8.5 billion in 1972-73. A number of states now give direct aid to privately controlled institutions, and well over half have scholarship aid related to the cost of tuition, thus allowing greater choice for the student.

The Product The high school class of 1974 is expected to exceed the 1973 figure of nearly 3.1 million graduates, which will make it the largest in history.

Institutions of higher education conferred more than 1.2 million bachelor's and higher degrees during the school year 1972-73. The projected figure for 1973-74 is

1.3 million—958,000 bachelor's, 53,000 first-professional, 263,000 master's, and 39,000 doctor's degrees. In each case, the figures for 1973-74 represent all-time highs. In the past decade the number of bachelor's degrees conferred has more than doubled; the number of first-professional degrees has increased by 85 percent; and the number of master's and doctor's degrees has nearly tripled.

Elementary and Secondary Schools. Public elementary and secondary schools in the United States number 89,372, with some 1.8 million instruction rooms. Although problems continue in the public schools, they seem to have alleviated somewhat in the past year. Nevertheless, teacher strikes—more numerous than in earlier years—continue to close schools, students continue to boycott and parents to protest, problems of racially imbalanced schools remain, teaching techniques are questioned together with various administrative practices. The problems of finance are very real as the costs of materials, maintenance, operation, and salaries climb. On the positive side are the efforts being made to make every dollar count, curricula reform to assure that graduates qualify for job opportunities, use of computers to store student records and assist guidance counselors, expanded use of classrooms including a number of year-round sessions, and increasing participation by business in cooperative programs.

Church-related educational institutions, particularly the parochial schools, continue to be troubled by financial matters and loss of enrollment. Government subsidies to parochial schools are unconstitutional, yet the schools educate some four million children, and the public system would be hard pressed to absorb this number were the schools to cease to exist. The United States Supreme Court in late June ruled as unconstitutional laws like those of New York and Pennsylvania that aimed at assisting, directly or indirectly, all private schools.

Large Gifts to Education—1973

Donor / Amount / Recipient

Danforth Foundation—$60 million
Washington University

De Golyer Foundation—$14 million
(in books, land, and other assets)
Southern Methodist University

Robert Wood Johnson Foundation—$10 million
Association of American Medical Colleges
$4.7 million to *American Fund for Dental Education*

Foster G. McGaw—$10 million
Northwestern University

Fairchild Foundation—$7.5 million each to
California Institute of Technology and *Stanford University*

Mr. and Mrs. H. R. Gibson—$6 million
Abilene Christian College

R. Crosby Kemper Family Foundation—$5 million
University of Missouri, Kansas City

Mr. and Mrs. Eugene Meyer—$5 million
Yale University

Mr. and Mrs. John Tyler—$5 million
Pepperdine University

John W. Watzek, Jr.—$5 million
Phillips Academy

Edna McConnell Clark Foundation—$4.35 million
Woods Hole Oceanographic Institution

Kresge Foundation—$3.5 million
University of Chicago

Olin Foundation, Inc.—$3,263,000
Drake University

Mrs. Marie Chilton—$3 million
Loyola University of Los Angeles

Mrs. Martha Leverone—$3 million
Dartmouth College

Comparative Figures, 1971-1973 for Independent Schools

	1971	1973	% Increase or Decrease
Boarding Schools			
Number	215	200	− 7
Enrollment	47,742	41,676	−12.7
Day Schools			
Number	555	579	+ 4.3
Enrollment	207,430	218,674	+ 5.4
Girls' Schools			
Number	146	116	−20.5
Enrollment	42,545	36,064	−15.2
Boys' Schools			
Number	185	149	−19.5
Enrollment	64,612	52,698	−18.4
Coed Schools			
Number	439	516	+17.5
Enrollment	148,015	179,435	+21.2
Total Schools	770	781	+ 1.4
Total Enrollments	255,172	268,207	+ 5.1

Source: NAIS (includes 735 schools in existence more than five years and 46 newer schools in the U.S.A.)

Catholic-school administrators look to the future with a mixture of optimism and fear: fear of the financial crunch and the inability to raise the additional funds to meet it as well as to build the necessary schools in suburban areas where Catholics have moved; and optimism relating to increased involvement of Catholic parents, better faculties, and development of a wider variety of programs.

In 1965, 5.7 million students attended 13,396 elementary and high schools. Preliminary estimates from the National Catholic Educational Association show 1973-74 enrollment at 3.6 million (down 4.8 percent from 1972-73's 3.8 million and 36.8 percent from the 1965 figure) in 10,235 schools (down 2.8 percent from 1972-73's 10,534 schools and 23.6 percent from the 1965 figure). Lay teachers, who 30 years ago made up less than 10 percent of the teaching force, today equal more than 50 percent of all teachers in Catholic schools.

In 1973, there were 262 Catholic colleges and universities, an increase of two from 1972, with an enrollment of 418,083, a decrease of 2.5 percent from a year earlier.

For **independent schools,** it appears that overall enrollments continue to increase slightly. The National Association of Independent Schools (NAIS), with a membership of 841, all but 60 in the U.S., has reported that in 1973-74, 611 schools had a total student enrollment of 219,237, up 1.2 percent over 1972-73. A major part of the increase in the past six years has come from the coeducational day schools, which today account for 56 percent of the total. A marked upswing in recent months in the number of prospective candidates visiting boarding-school campuses (both boys' and girls' boarding schools have had enrollment decreases in the past several years) augurs improvement for these schools in the future. A shift in both number of schools and enrollment, from boarding to day, and from girls' and boys' to coeducational, is shown in the accompanying chart.

Of 578 member schools of the NAIS reporting financial information for 1972-73, 264, or 46 percent, operated

at a deficit, compared with 49 percent of those reporting a year ago; 30 broke even; and 284 showed income in excess of expense. Scholarships reported by 575 schools aided 24,105 students; the amount granted was $30.9 million. Not surprisingly, the total cost per student is greater in boarding schools than in day schools because of the extra student services provided for boarding students. The range is from $1,566 for a coed elementary day school to $6,812 at a girl's boarding school, with cost of a coed boarding school averaging $5,720. The student-faculty ratio varies from 5.9 at a girls' boarding school to 14.3 for a boys' day school, grades 7-12.

The last several years have been ones of difficulty for independent schools in the United States. Rapid inflation has added to financial difficulties, but this has come after the period of growth and strength of the 1960s. The last five years have brought dissatisfaction and tension in the school community—on the part of students, teachers, parents, administrators, trustees—and with this has come questioning not only about curriculum and teaching methods, but on the purpose of education and its structure. The things that independence at its best can do in schools are becoming increasingly attractive in a mass society, and in the past 10 years the majority of schools, it is believed, are more effective, more alive, and more concerned. In spite of difficulties and a continuing need for increases in private contributions, the outlook for the independent school appears better than it has in the last several years.

Higher Education Institutions of higher education number 2,665 in the United States, 1,182 public and 1,483 nonpublic colleges and universities. Of these, 964 are two-year junior or community colleges, with 76 percent public.

The end of the 1972-73 school year marked once again a growth in the number of colleges with balanced budgets, and the outlook seemed guardedly bright. Since

that time, however, the inflation rate has jumped to more than eight percent, with food costs increasing still faster; an "energy crisis" has been announced, and the cost of fuel has skyrocketed; and colleges and universities once again find financial troubles on the rise. Moreover, they are looking forward by the end of the decade to a decrease in enrollment. Tuitions have risen, in both public and private institutions, and recommendations made by the Committee on Economic Development, Carnegie Commission, and others to close tuition gaps between public and private schools to alleviate enrollment drops in the private schools have been sharply rejected by the state institutions.

Federal government support enacted in the *Education Amendments of 1972* has not been realized, and current funding emphasizes student aid and expansion of vocational-technical and continuing-education opportunities. Although the states have become more aware of the contribution made to society by their privately controlled colleges, and several states have inaugurated support to these schools, the fact remains that the main responsibility of the states is to the state institutions.

Perhaps today more than ever, expanded support from individuals, foundations, and corporations is essential if our colleges and universities are not only to survive but to prosper and if they are to continue their role in our society.

Health and Hospitals

Americans continue to express their concern for health in a significant philanthropic contribution. In 1973, it is estimated that philanthropy provided four percent of total health spending, and about 18 to 20 percent of private, nonprofit construction costs. During 1973, philanthropy continued to play an important and essential role in the nation's health, with dollar contributions rising to an estimated $3.98 billion.

Health costs in 1973 totaled $94.1 billion, or 7.3 per-

cent of the nation's Gross National Product, about the same proportion as in 1972. The rate of increase, 11 percent, was comparable to that of a year ago and slightly less than the rise in GNP, representing a continuing slowdown from sharp rises of earlier years. The growing number of employees, second only to the construction industry, coupled with higher wage levels for health workers, is largely responsible for the rising costs of health care.

As the concept grows that good medical care is a right of citizens, rather than a privilege, government is assuming an increasingly important role, particularly at the Federal level, in seeing that such care will be available to all. Such issues as the share of the national budget devoted to health programs, health planning, and national health insurance are expected to generate hot debate in the current session of Congress.

Just before the New Year, President Nixon signed a health bill that is expected to have an important impact upon medical care. Called the Health Maintenance Organization Act of 1973, it authorizes the spending of $375 million during the next five years to set up and evaluate organizations in a number of communities that would emphasize preventive rather than corrective medicine.

Persons who subscribe to such an organization pay a yearly fee which entitles them to complete medical and hospital care, including check-ups, routine services, and both inpatient and outpatient care.

Such organizations, popularly called HMOs, have been in existence for a number of years, but have only recently begun growing in number. In 1970, there were only 30 in the entire country; today there are 115 serving nearly 15 million clients. Impetus provided by the HMO Act is expected to increase their number to more than 300, serving 50 million persons, by the mid-80s.

Costs of Health Care Total health costs for 1973 are estimated by the Social Security Bulletin at $94.1 billion,

Large Gifts to Health Causes—1973

Donor / Amount / Recipient

Ford Foundation—$25 million (with intent to make grants providing $100 million over 10 years)
Henry Ford Hospital

Harris S. Moss—$6 million
Southwestern Medical School

Commonwealth Fund—$5 million
Columbia Presbyterian Medical Center

Mr. and Mrs. Leo Roon—$2.3 million
Scripps Clinic & Research Foundation

Charles A. Dana Foundation—$2 million
American Health Foundation at Westchester Medical Center

Richard King Mellon Foundation—$2 million
University of Pittsburgh Health Center

Uris Brothers Foundation—$2 million
Lenox Hill Hospital

Roberta Zuhlke—$1.7 million
National Association for Mental Health

W. T. Grant—$1.5 million
Greenwich Hospital

Hazel Ann Fox—$1,002,225
Johns Hopkins Hospital

Clement J. Smith—$1 million
Mills Memorial Hospital

James G. Boswell Foundation—$1 million
Sun City Community Hospital

Max C. Fleischmann Foundation—$1 million
Memorial Sloan-Kettering Cancer Center

or $441 for every person in the United States.

Government health spending rose 12.5 percent, a slower rate than the 16.8 percent rise in 1972, and totaled $37.6 billion. Government's share remained stable at 40 percent of the total. Private spending accelerated somewhat, increasing 10.1 percent as opposed to the 9.1 rise in 1972, and totaling $56.5 billion.

About two thirds of the public funds were spent by the Federal government, with state and local governments sharing the remaining third.

With the average cost of a day's hospital stay now over $100, hospital care again took the biggest bite out of the health dollar, costing $36.2 billion. Physicians were paid $18 billion, while $8.8 billion went for drugs and $5.4 billion for dental care. Nearly $2.3 billion was spent for medical research, and more than $4.2 billion for construction of health facilities.

Personal Health Care Of the total $94 billion FY 1973 health bill, $80 billion was spent on personal health care, or direct provision of care and supplies to patients. Of this amount, government provided $30.3 billion and private sources $49.7 billion, or 62 percent.

Insurance benefits paid $20.5 billion of the private funds, and philanthropy and industry paid $1.1 billion. The consumer paid the lion's share, $28.1 billion, from his own purse.

Since 1950, direct payments by consumers as a percentage of personal care costs dwindled from 68 to 35 percent, but inflation has tripled the dollar total of such payments to $132 per capita. Out of his own pocket, the consumer paid 10 percent of hospital bills, 42 percent of doctors' bills, 87 percent of dentists' bills, 87 percent of the cost of drugs, and 39 percent of other service costs.

The Federal government paid two thirds of the public funds spent. Medicare accounted for $9.5 billion of this, an increase of $700 million over 1972.

Hospitals in the United States *Hospital Statistics, 1972*, a publication of the American Hospital Association, reports 7,061 U.S. hospitals of all categories registered with the association during 1972.

The overall number of hospital beds decreased by 6,000, with decreases occurring only in Federal and long-term specialized hospitals. Since community or general hospitals offer an ever-increasing variety of services previously offered only by specialized hospitals, they are serving more patients and added 12,000 beds in 1972.

Admissions totaled 33.3 million during 1972, an increase of 601,000. Ninety percent of this increase was in general hospitals.

Hospital expenditures rose 13.4 percent to $32.7 billion in 1972. They represented about three percent of the Gross National Product. In the past five years hospital expenditures have increased at twice the rate of the GNP.

Hospitals had assets of $43.2 billion in 1972, 11.7 percent over 1971. Over $31 billion of this was in plant assets.

General or Community Hospitals General hospitals, operated by voluntary nonprofit organizations, a relatively few profit organizations, and state and local governments, are those most familiar to the average American. They provide 57 percent of the available beds and admit 93 percent of all new patients. The accompanying table shows growth in nearly all measurements of general hospital activity. The increase in the number of beds, however, coupled with the decrease in the average length of stay, pulled down both average daily census and occupancy rates.

Voluntary Nonprofit Hospitals Fifty-eight percent of general hospitals are voluntary, nonprofit, short-term hospitals. They contain 70 percent of general hospital beds and admit 71 percent of the patients who enter general hospitals. The accompanying table shows growth

Registered Hospitals in the United States

Type and Number of Hospitals	1960	1971	1972
Federal	435	407	401
Non-Federal			
Psychiatric	488	513	529
Tuberculosis	238	94	72
Long-Term General and Special	308	218	216
Community	5,407	5,865	5,843
Total	6,876	7,097	7,061

Change in General or Community Hospitals

	1971	1972
Number of Hospitals*	5,865	5,746
Number of Beds (000)	867	879
Average Size (No. of beds)	148	153
Admissions (000)	30,142	30,709
Average Daily Census (000)	665	663
Outpatient Visits (000)	148,423	162,668
Average Length of Stay—Days	8.0	7.9
Occupancy Rates (%)	76.7	75.4
Total Expenses (000)	$22,400,000	$25,462,000
Number of Personnel**	1,999,000	2,051,000
Payroll Expenses (000)	$13,053,000	$14,459,000
Average Annual Salary	$ 6,529	$ 7,051
Expense Per In-Patient Day	$ 92.31	$ 105.09
Total Assets (000)	$29,609,000	$33,629,000
Plant Assets (000)	$20,076,000	$22,456,000

*Excludes hospital units of institutions (prisons, college infirmaries, etc.)
**Adjusted for part-time personnel

Change in Voluntary Nonprofit Hospitals

	1971	1972
Hospitals	3,363	3,326
Beds	604,000	617,000
Admissions (000)	21,515	21,875
Births	2,445,819	2,242,747
Average Daily Census	477,000	478,071
Outpatient Visits (000)	103,106	112,039
Average Length of Stay–Days	8.1	8.0
Occupancy Rates (%)	79.0	77.4
Total Expenses (000)	$16,344,000	$18,384,000
Number of Personnel	1,438,276	1,474,434
Payroll Expenses (000)	$ 9,531,583	$10,493,858
Average Annual Salary	$ 6,627	$ 7,117
Expense Per Patient Day	$ 93.84	$ 105.13
Total Assets (000)	$22,637,000	$25,686,000
Plant Assets (000)	$15,259,000	$17,007,000

Medical Facilities Construction

(in millions)

Source of Funds	FY 1972	FY 1973	% of 1973 Total
Private	$2,661	$2,743	65%
Public			
Federal	551	638	15
State and Local	800	850	20
Total	$4,012	$4,231	100%

Source: *Social Security Bulletin, March 1974*

in all measures of the importance of this kind of hospital, despite a drop in their number.

Health Facilities Construction A U.S. Department of Commerce report estimates that $4.325 billion was spent for hospital construction during calendar year 1973. This was a 3.5 percent increase over 1972 construction costs of $4.18 billion.

Total expenditures for medical construction are forecast to decline about four percent in 1974. Measured in constant dollars, construction expenditures for both public and private facilities have been relatively flat since 1969. Increases in current dollar expenditures result mainly from inflation.

Private construction costs increased six percent during the year to $3.375 billion, while public costs decreased by six percent to $950 million. Studies by the Social Security Administration indicate that the Federal government supplies 43 percent of public funds spent for construction (see table). The same source estimates that construction of private facilities was aided by $502 million in Federal funds and $15 million in state and local funds. Federal outlays for private construction increased by nearly $160 million over 1972.

Recent events in Washington have confused future prospects for continued Federal support of private construction, as discussed below under the heading *Hill-Burton Program*.

Because of the long lead time between allocation of Federal funds and completion of buildings, this administration's interference probably will not greatly affect levels of construction during 1974.

Three fourths of construction expenditures during the last two years have been for renovation, modernization, or additions to existing buildings, rather than for new buildings and replacement hospitals.

Hill-Burton Program The Hill-Burton program, which provided $3.7 billion for hospital construction between

1947 and 1971, has become a political football. In 1970, Congress passed amendments to the bill which authorized appropriations totaling $1.2 billion over a three-year period for grants, and $500 million for loans and interest subsidies on guaranteed loans. President Nixon vetoed the bill, and a tug of war began. Congress overrode the veto, but the President "impounded" the grant funds.

Between January 1972 and March 1973 loans and interest subsidies under Hill-Burton totaled $276.6 million, while supplemental grants totaled only $46.4 million. The Administration favors loans and loan guarantees, and eliminated grants from its 1973 budget.

Congress appropriated $195.3 million in grant funds for 1973, but the Administration did not obligate it. For 1974, Congress appropriated an additional $197.2 million for Hill-Burton. President Nixon's original 1974 budget had requested no funds for Hill-Burton, but the Administration later recommended that $50 million be provided for modernization grants only. Consumer and professional interests instituted law suits to force the President to release the impounded funds. In most cases the courts ordered the funds released. As a result, it appears that the states, which administer Hill-Burton grants, should have available $385 million in grant funds to give away in the next two years.

As this is written, there is a bill in the House to do away with Hill-Burton and replace it with a revolving loan fund, loan guarantees and interest subsidies.

The Hill-Burton program is only one aspect of government interest in financing health construction programs. There are 18 additional Federal programs which provide capital funds.

State governments are becoming increasingly involved with construction programs. Twenty-three states now have agencies charged with implementing certificate-of-need legislation. Seven states have issued tax-exempt hospital revenue bonds, and at least a dozen more have created authorities, either at the state or local level, to issue such bonds.

Sources of Construction Financing

Short-Term Voluntary Nonprofit Hospitals

Survey Year	Government Funds	Internal Sources	Philanthropy
1968	16.8%	59.0%	24.2%
1969	16.6%	65.5%	17.9%
1973*	9.1%	79.2%	11.7%

*"Preliminary" subject to change after final analysis.
Source: American Hospital Association

Sources of Financing Patterns of financing construction of private health facilities have changed markedly in the past five years. These changes become obvious by comparison of three surveys of hospital construction financing conducted by the American Hospital Association during the period. Sources of funds, by percentage, are set forth in the adjacent table.

Declining percentages for government funds and philanthropy do not signal a corresponding decline in dollar value of funds from these sources. Rather, they point up the growing importance of internal sources, accumulated earnings, and borrowing. Borrowing has become increasingly necessary, although the burden of debt service is often staggering. Nevertheless, many hospitals have had to increase borrowing levels to meet inflation in costs.

The 1969 survey covered construction projects *completed* in that year. Responding hospitals reported 1,242 projects completed, with total costs of $1.25 billion. Voluntary nonprofit community or general hospitals reported 695 projects costing $860 million. Federal grants provided about 12 percent, philanthropy 18 percent, and hospital reserves 26 percent. Forty percent of the necessary funds was borrowed. Four percent came from state and local governments.

The latest survey covered 955 projects *begun* in 1973 with total anticipated costs of $2.6 billion. Preliminary analysis of these reports indicates that Federal grants provided 5.4 percent, philanthropy 11.0 percent, and hospital reserves 15.4 percent. Borrowed funds will supply 50.8 percent of the costs. Other government grants and nonrepayable appropriations provided 12.4 percent.

Voluntary nonprofit general hospitals reported 510 projects costing $1.92 billion. Federal grants provided about 4 percent of the costs, philanthropy 12 percent, and hospital reserves 18 percent. Borrowing supplied 61 percent of the anticipated costs. It is interesting to note that nearly 5 percent of funds came from state and local

government, in the form of grants and appropriations which did not require repayment; however, only three hospitals received these funds.

Methods of debt financing took several forms. Voluntary nonprofit hospitals borrowed a total of $1.227 billion. Of this, roughly 30 percent came from standard loans and mortgages from banks, pension funds, and insurance companies, and 38 percent from public sale of bond issues. Eighteen percent came from loans made or guaranteed by the Federal government under the Hill-Burton program, and 8 percent from FHA HUD-guaranteed loans, 6 percent from unspecified sources.

Tax-exempt bond issues were of course favored, comprising 28 percent of the total debt, while taxable bond issues provided 10 percent.

Of the more than $233 million contributed to these projects, 62 percent came from special fund drives, 30 percent came from other contribution programs, and 8 percent from foundation grants.

National Health Agencies Contributions to the voluntary health agencies are a reflection of the public's interest in health problems. Twenty-one of the largest such agencies responded to a recent survey conducted by the American Association of Fund-Raising Counsel. As shown in the chart, they reported gift income of $414 million, a 10.7 percent increase over 1972. Increases for individual agencies ranged up to 23.9 percent.

Thirteen percent of the total, or $53.7 million, came in the form of bequests, an increasingly important source of income to such agencies.

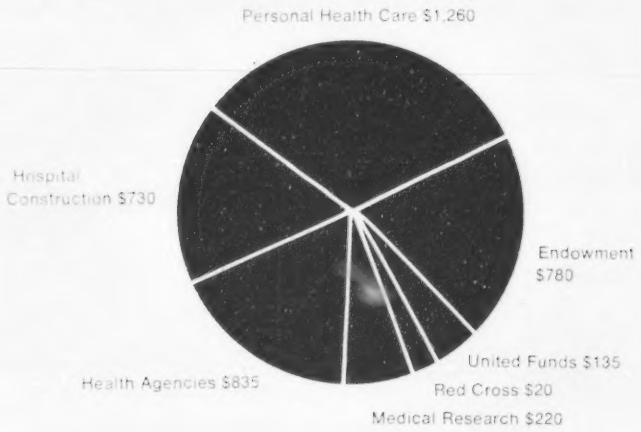
Many of these health agencies allocate important sums to research. For example, the two top agencies—cancer and heart—allocate almost one third of their income to research, according to the National Health Council. National Cystic Fibrosis spends 38 percent of its budget on research, the Arthritis Foundation 25.2 percent. Other funds go to public and professional education and to community and patient services.

National Health Agencies

Agency	Total Amount Raised 1973	Contributions	Bequests	1972
American Cancer Society, Inc.	$ 93,013,644*	$ 67,784,862*	$25,228,782*	$ 78,818,538
American Heart Association	54,475,310	42,310,163	12,165,147	50,900,481
American Lung Association	43,810,587	42,467,609	1,342,978	41,916,096
The National Foundation	42,691,987	40,977,430	1,714,557	35,345,971
National Easter Seal Society for Crippled Children & Adults	33,249,849*	28,682,261*	4,567,588*	30,815,426
National Association for Retarded Citizens	22,615,384*	22,462,226	153,158	21,060,030
Muscular Dystrophy Associations of America, Inc.	20,570,523	19,770,401	800,122	19,030,993
United Cerebral Palsy Association, Inc.	18,033,422*	17,533,422	500,000*	16,279,914
Planned Parenthood Federation of America, Inc.	16,620,000	16,400,000	220,000	15,600,000*
National Association for Mental Health, Inc.	13,255,400	12,798,850	456,550	11,828,000*
National Multiple Sclerosis Society	12,125,000*	11,487,781*	637,219*	10,642,567
The Arthritis Foundation	10,486,400*	8,249,900*	2,235,500*	9,826,022
National Cystic Fibrosis Research Foundation	7,000,000*	6,925,000*	75,000*	5,958,964
Leukemia Society of America, Inc.	6,427,073	6,013,790	413,283	5,188,574
National Kidney Foundation	5,627,914	5,602,914	25,000	5,090,743
Epilepsy Foundation of America	4,016,000*	3,855,000*	161,000*	3,782,098
National Society for the Prevention of Blindness, Inc.	2,668,000	2,227,000	441,000	2,730,000
National Council on Alcoholism	2,625,000*	2,300,364*	324,636*	2,500,000
American Foundation for the Blind, Inc.	2,342,095	1,064,908	1,277,187	3,092,512
Damon Runyon-Walter Winchell Cancer Fund	1,503,900	617,700	886,200	2,401,800
Recording for the Blind, Inc.	1,271,880	1,161,000	110,880	1,612,295
Totals	$414,429,368	$360,692,581	$53,736,787	$374,421,024

*Estimated

Philanthropy to Health—1973
(in millions)



The success of these agencies has encouraged formation of several new agencies to attack obscure diseases often with difficult-to-pronounce names.

Philanthropy for Health Contributions for personal health care usually equal about one-and-a-half percent of the total of such expenditures. In calendar 1973, such expenditures totaled an estimated $84 billion, of which $1.26 billion was donated by philanthropic sources.

United Way campaigns raised more than $900 million in the United States in 1973. Roughly 15 percent of such funds is usually disbursed for health purposes, estimated at $135 million for 1973. Another $20 million for health purposes is estimated to have been raised directly by the Red Cross.

Total contributions to health agencies—local, regional and national—during 1973 are estimated at $835 million. Almost half of this amount is accounted for by the 21 health agencies participating in AAFRC's survey. Health agencies play an important role in the nation's well-being

and are supported by all sectors of the philanthropic world. Increasingly, bequests are being left to agencies working to cure disease and to inform the public. Concern is also evidenced in programing by television, and during 1973 a special series devoted to disease—"The Killers"—was carried by educational channels throughout the country.

Even though no precise figures are available for contributions to medical research, on the basis of past surveys it is estimated that $220 million was contributed for such purposes in 1973.

As previously noted, the relative proportion of philanthropy for hospital construction has declined, as hospitals necessarily turn to alternative sources to help meet the added costs brought by rapid inflation. For the first time since *GIVING USA* began reporting these figures, it appears that there was a decline in the dollar value of contributions for health construction. At the same time, there appears to be a marked increase in giving to endowment and other special funds. Contributions from all sources for construction are estimated at $730 million for 1973, and for endowment at $780 million.

Social Welfare

The availability of social services is essential to the fabric of community life, and philanthropy has long recognized this fact through support of organizations and agencies that work toward helping the needy and providing outlets for a better quality of life for all. It would be a rare person who has not participated in or been touched by one of the many organizations in this field, which includes Boy Scouts and Girl Scouts, summer camps, Ys and neighborhood centers, the Salvation Army, legal services, day-care centers, children's services and homes for unwed mothers, foster care, family planning, the Urban League, aid to travelers, USOs, and many others. Where a problem exists, an agency is there to work toward its solution.

Large Gifts to Social Welfare—1973

Donor / Amount / Recipient

John W. Watzek, Jr.—$3.6 million
Boy Scouts of America

Danforth Foundation—$1.5 million
American Youth Foundation

Los Angeles Clearing House—$1.5 million
United Crusade, Los Angeles

Ford Foundation—$1.1 million
Center for Community Change

John Young Brown, Jr.—$1 million
YMCA, Louisville

Carnegie Corporation of New York—$300,000
National Urban Coalition

Lilly Endowment—$245,000
Young Life Campaign

The San Francisco Foundation—$111,000
Legal Aid Society of San Francisco

New Haven Foundation—$100,000
Community Progress, New Haven, Conn.

Beyond the established institutions, a number of new voluntary social agencies and organizations have come into being in the recent past to deal with newer problems or with older problems in new ways, thus supplementing the traditional agency's performance. Philanthropy has continued to increase its contributions to the tried and true and has entered willingly into support of new programs and of many newer agencies as well. The impact of inflation and the constant increase in the cost of delivering human services, however, together with rising demands and a continuing growth in the numbers of the needy, make urgent still greater dollar contributions from all.

Within this scene, the United Way serves as a flexible and reasoned vehicle to unite the diverse elements of entire communities to contribute toward a more satisfactory life for every individual. The United Way raises and allocates funds, while joining with its member agencies and community leadership in planning for the most effective use of the dollars raised. It is estimated that almost one third of total private giving in this area is channeled through United Ways.

In 1973, 2,175 United Way campaigns across the United States and Canada raised a total of $975 million, a 6.6 percent increase over 1972's $914.6 million; of this, more than $900 million was subscribed in the United States. The primary source of contributions continues to be employee and executive giving largely by payroll deductions, which accounted for 61.7 percent of the total; corporations accounted for 28.9 percent, and the remaining 9.4 percent came from residential and foundation giving. As shown in the adjacent chart, more than two thirds of the total raised go for social welfare purposes, almost 14 percent is allocated to hospitals, clinics, other health services, and about 15 percent goes to the American Red Cross.

A number of United Way campaigns experienced substantial increases: 20 cities in the United States and 2 in Canada raised more than $9 million each. The Chicago

United Way Allocations by Fields of Service

Field of Service	Percent
Family and Children's Services	28.4%
American Red Cross	12.9
Hospitals and Clinics	2.1
Other Health Services	10.0
Recreation Services	27.4
Other Services	4.4
Community Welfare Planning	3.2
Campaign	4.2
Year-round Administration	3.1
Shrinkage	4.3
Total	100.0%

Source: United Way of America

campaign generated over 3.4 million new dollars in 1973, and Detroit nearly 3 million. Baltimore boasted an 11.3 percent increase in 1973. The United Way in Ann Arbor, Michigan, raised 22.5 percent more than the previous year. Thirty-seven million individuals, groups, and corporations made contributions to the United Way, and more than 34 million families were helped through the fund-raising efforts of some 20 million United Way volunteers and professionals.

For 1973, AAFRC estimates that social welfare causes received $1.76 billion, an increase of 9.3 percent over 1972.

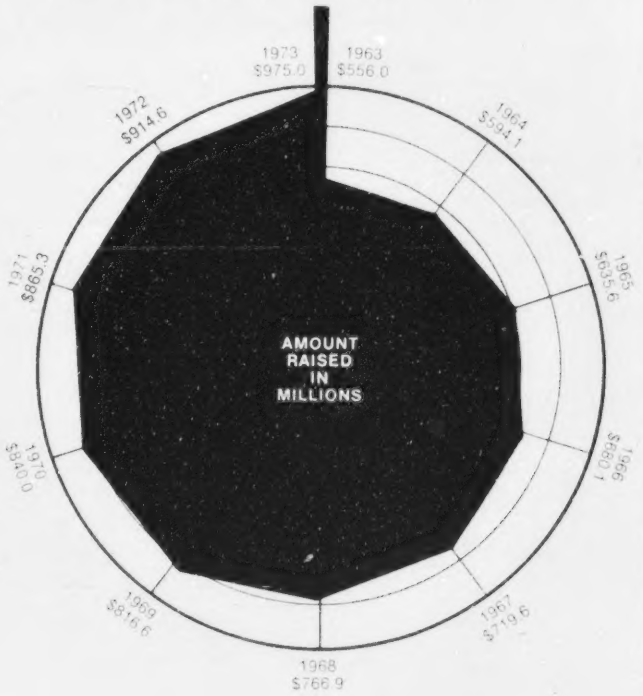
Arts and Humanities

The year 1973 saw a continued expansion in the demand for cultural activities, including museums, symphony and chamber orchestras, jazz and other music entities, opera, theater, film, and the dance. Support from private sources continued its upward trend, and for 1973 is estimated at $1.20 billion. Established institutions are financially pressed, as new cultural organizations and performance groups appear on the scene and add their demand for the limited funds available.

Museums There are approximately 1,821 art, history, and science museums in the nation that meet certain criteria set forth by the National Endowment for the Arts in a recent survey. Visits mounting to 308,205,000 were made to these museums in fiscal 1971-72. The work force numbered more than 110,000, of which there were 30,400 full-time paid personnel and 64,200—well over half the total—volunteers.

Private sources of funding continue to provide the largest segment of support to museums in America. The National Endowment survey showed total income for 1971-72 for 1,821 museums was $513.3 million, of which 63 percent came from the private sector, 37 percent from the public. Individuals through gifts, membership, and admissions contribute 22.4 percent of museum income,

Records of Federated Campaigns Since 1963 in the U.S. and Canada



	1963	64	65	66	67	68	69	70	71	72	73
NO. OF CAMPAIGNS	2,208	2,232	2,217	2,260	2,272	2,268	2,255	2,241	2,236	2,224	2,175

Source: United Way of America

according to the *1973 Museum Salary and Financial Survey* of the American Association of Museums. The survey results—covering about 700 museums—were comparable to the Endowment's in finding that funds from all private sources equal 59.1 percent of income, with government (municipal, county, state, and Federal) accounting for the remaining 40.9 percent.

Museums are caught in the price squeeze familiar to other cultural and educational institutions in the United States: increasing costs of operations due to increases in salaries, supplies, and services. A growing audience has brought requirements for additional security and for environmental control, as well as greater curatorial and administrative competence to meet the demands in programing and education. Museum budgets have suffered, and AAM statistics show that during 1972, 28.7 percent of the museums in its survey reported operating deficits, with a substantially higher percentage (39.4) of art museums reporting deficits. This finding is in line with the National Endowment survey, which noted that since 1966, financial pressures have resulted in facility, service, or staff cutbacks in 36 percent of all museums.

Music A part of America's cultural richness lies in music, in its availability and accessibility to the public. Symphonic, chamber, jazz, folk, country, band, vocal and operatic—all are readily heard on the radio or on records, television carries a share, and live performances are increasingly available throughout the country.

Figures recently compiled by the American Symphony Orchestra League show that 27 major symphony orchestras had combined expenditures of $75.6 million in 1972-73, a $5 million jump (7.1 percent) from the previous season. Earned income was $42.2 million, up $3 million from 1971-72. The ever-widening gap—what's left over for orchestras to raise after all the earned income is counted—grew from $31.4 million to $33.5 million, while government support fell from $1.4 million to $872,100, or slightly over one percent of their total expenditures.

Total tax-support money received as earned income for specific programs by the 27 orchestras was $8 million, 9 percent over 1971-72.

Private sources—individuals, foundations, and corporations—contributed $29.8 million, an increase of more than 10 percent over 1971-72. Even with this increase, the major orchestras were left with a total net deficit of $2.8 million. Were surveys available of other nonprofit segments within the music community, it is believed similar statistics would result.

Other Performing Arts The dance and theater worlds share many of the same problems. Success has brought a serious financial dilemma, for paid admissions cover only a part of the cost of each performance, and longer seasons created through audience demand bring larger deficits and a need for additional support. Ticket prices, like college tuitions, are subsidized, and performing groups are loath to raise them for fear of pricing themselves out of reach of the majority of viewers.

Surveys show that the number of dance performances has increased more than 500 percent in just the last 10 years, that the total dance audience has grown from 1 million in 1965 to 8 million in 1973, and that the number and diversity of companies are at an all-time high. Today, 126 professional dance companies, employing about 2,000 artists, have estimated annual budgets of $40 million. But many in dance are underpaid, and the companies are plagued with financial problems. One of our foremost dance companies—which performs to nearly one-half million persons each year and in the past six years alone has mounted 61 new productions, created a repertoire that includes the work of 36 contemporary composers, and has commissioned 12 new scores—was forced to curtail its New York season this year for lack of financing. Performance revenue covers 54 percent of total operating costs for this company, about the same percentage as reported by the symphony orchestras.

Colleges and universities provide significant subsidy

Large Gifts to Cultural Causes—1973

Donor / Amount / Recipient

Joseph H. Hirshhorn—$100 million
(value of collection of sculpture and paintings)
Smithsonian Institution

Mrs. Helen Bonfils—$50 million
Denver Center for the Performing Arts

Avery Fisher—$10 million (estimated)
New York Philharmonic

Vincent Astor Foundation—$5 million
Metropolitan Museum of Art

Andrew W. Mellon Foundation—$5 million
National Gallery of Art

Mrs. Charles Shipman Payson—$5 million
Metropolitan Museum of Art

John Guggenheim Memorial Foundation—$3,852,600
Fellowships to 339 scholars, scientists, and artists

Lilly Endowment, Inc.—$3.5 million
Children's Museum of Indianapolis

Ford Foundation—$3.2 million
American Council of Learned Societies for postdoctoral fellowship program for research in the humanities

Howard N. Garfinkle—$2.5 million
University of Miami for a new wing of the Lowe Art Museum

Boettcher Foundation—$1.5 million
Denver Center for the Performing Arts

Kresge Family and Kresge Foundation—$1.5 million
Detroit Institute of Fine Arts for purchase of a painting by Michelangelo Merisi de Caravaggio

Mary Agnes Miller—$1.5 million
New York Public Library

Rockefeller Foundation—$895,000
Six conservatories of music for awards to talented students

of the touring performing arts, subsidy that allows the cultural arts to be presented on many campuses and in many communities where they would otherwise be totally lacking. A survey for the 1972-73 season by the Association of College, University and Community Arts Administrators, Inc. of its members showed that during the year, 194 institutions presented a total of 3,521 performances before audiences of 3.4 million persons, with students making up 46 percent of the audience.

Ticket-sale revenue came to $7.7 million, against artist and performance fees of $8 million and other direct costs of $1.8 million. The income gap of $2.1 million, as well as indirect cost such as salaries, maintenance, etc., was subsidized by the institutions, and through contributions and grants from the community, state arts councils, and the National Endowment for the Arts.

Giving Trends **Individuals** continue to be the most important source of contributions to our cultural institutions. The AAFRC survey of million dollar gifts (see centerfold) shows well over 75 percent of such gifts coming from individuals and bequests in 1973.

Foundations may account for some 15 percent of total contributions to the arts and humanities. In 1973, the first private foundation on a national scale devoted solely to the arts and the humanities was announced, to be incorporated by a group of arts patrons and professionals. It is expected to have an endowment of several hundred million dollars in five to seven years, to be drawn from a wide variety of funding sources.

Corporations continue to show increased attention to support of the arts, and their contributions were close to $80 million in 1973, according to the Business Committee for the Arts (BCA), formed in 1967. With present membership of 125 leading businessmen from communities throughout the nation, BCA works to spur financial support, publicity, and business expertise for the arts. Beyond dollar support of the arts, it is estimated that business may contribute as much as $75 million in the

form of written-off business expenses, such as giving free exhibition space, publicity, or advertising. Outdoor music and drama festivals sponsored by business are becoming more common, as is corporate sponsorship of special exhibits of arts and sculpture and of programs for educational television, which bring the artists' vision into the home and reach many who otherwise could not participate. Volunteer services—legal, accounting, printing, advertising design—are also made available by some business concerns for arts organizations.

A new national statistical study of corporate giving patterns to the arts in 1973 is currently being conducted for BCA by a major accounting and management-consulting firm. Results are expected to be published in early fall and will be reviewed in our monthly *GIVING USA Bulletin*.

Federal government arts support comes mainly from the National Foundation on the Arts and Humanities—its two grant-making agencies are the National Endowment for the Arts and the National Endowment for the Humanities—which was established in 1965. From slightly more than $5 million for the two endowments in their first year of operation, the budgets have grown to almost $80 million for the year ended June 30, 1973. For FY 1974, the two endowments received an appropriation of $112 million.

The major goals of the Arts Endowment are to make the arts more widely available to millions of Americans; to preserve our cultural heritage for present and future generations; to strengthen cultural organizations; and to encourage the creative development of our nation's finest talent.

Among the activities funded by the Humanities Endowment are experimental programs of informal adult education in the humanities at state level, a program to encourage active interest and creative involvement in the humanities among students and young persons, programs of basic research and editing, fellowship and stipend programs to help humanists who have completed

National Endowment for the Arts, Funds Obligated, Fiscal Year 1973 ($1,000,000 or more)

Music	$10,382,210
Federal-State Partnership Funds	6,875,000
Museums	4,615,040
Theater	3,335,122
Public Media	2,766,558
Dance	2,759,010
Education	2,529,970
Expansion Arts	2,524,555
Visual Arts	1,980,576
Architecture + Environmental Arts	1,563,920
Special Projects	1,002,307

their professional training to develop their abilities as teachers, scholars, writers, and interpreters of the humanities, and program grants to help develop new humanities curricula in colleges and universities.

State arts councils, funded through the National Endowment, the states, and private sources, are increasingly important to the arts as the moneys available for distribution through them continue to grow. State appropriations to the councils in FY 1974 increased 18.6 percent over 1973 to $31,647,205 according to a recent study of the Associated Councils of the Arts (ACA). Largest of these is New York's $16.4 million, which in 1973 aided 836 organizations ranging from world-recognized museums and dance and music organizations in New York City to small historical societies upstate.

Community agencies—estimated by ACA to number 800 to 1,000—are still another element in the arts picture. Of these, 28 are united arts fund-raising agencies, which are organized along the lines of the United Way to raise money for a group of arts organizations within the community. A directory of community arts organizations will be published by ACA later in the year.

Civic and Public Affairs

More and more concern is being expressed by all sectors of philanthropy for the causes that make up the civic and public affairs category. Included are environment and ecology, conservation and preservation, justice and the law, municipal and community improvement, good government, housing and urban renewal, and mass transportation. As our Bicentennial approaches, many community-oriented historical projects are and will continue to seek funds to carry them through.

The early 70s have been a time of growing concern among the American people for preservation and the environment. The National Trust for Historic Preservation in the United States, the only nonprofit educational organization chartered by Congress to encourage public

participation in the preservation of districts, sites, buildings, structures, and objects significant in American history and culture, increased its membership to 42,000—a one-third increase from the preceding year—and its financial support during 1973. Its first annual meeting, held in Cleveland in October, brought together more than 850 members for discussions of programs and problems.

The National Audubon Society, whose concerns are primarily environmental, has grown in membership from 69,000 in 1968 to more than 200,000 today; contributions (excluding membership fees) have increased almost 60 percent in the same period, with almost 35 percent of the increase since 1971, reaching $1.9 million in 1973.

Almost 10¢ of every corporate contributions dollar go into support of civic and public affairs, according to a Conference Board report. Our estimate is that as much as $100 million may be contributed today by corporations in this area; in advertising and other services, the amount is undoubtedly far greater. One cannot read a newspaper or magazine without seeing at least one ad placed by business on pollution control, environmental quality, inner-city development, or other public concern. Television, too, is carrying more public affairs and environmental programing.

The large general-purpose foundations are making an increasing number of grants in all of these areas, which have been a traditional concern of community foundations. Of particular interest, perhaps, is the quality of life in the city, with a number of grants being made for community planning, improvement, and urban renewal.

In 1973, it is estimated that philanthropic support for all civic and public affairs causes totaled $600 million.

International Affairs and Foreign Aid

Each year, voluntary agencies in the United States with major overseas programs register with the Agency for International Development's Advisory Committee on Voluntary Foreign Aid. Activities of the agencies in foreign

Large Gifts to Civic Causes—1973

Donor / Amount / Recipient / Purpose

Union Camp Corporation—$12.6 million
(value of 50,000 acres in the N.C.-Va. Dismal Swamp)
Nature Conservancy

Ford Foundation—$5 million
Council on Legal Education for Professional Responsibility
to continue efforts to bring about reforms in teaching of the law

Mrs. Leila Clark Hunter—$2.3 million
City of West Hartford to maintain a park

Corbett Foundation—$2 million
City of Cincinnati for construction of multi-level parking garage and skywalks

Robert Wood Johnson Foundation—$1.9 million
Citizens Conference on State Legislature for a national program to demonstrate the effectiveness of professional staffing in state legislative committees

Haas Community Fund—$1,027,084
Philadelphia Court of Common Pleas for pretrial conditional release program

Cullen Foundation—$1 million
To develop *Houston's Addicks and Barker Reservoir* areas as city park land

Enid A. Haupt Charitable Trust—$1 million
American Horticultural Society to purchase and use as national headquarters George Washington's 27-acre estate near Mount Vernon

Charles Sawyer—$1 million
Cincinnatus Association to develop a park on the Ohio River bank

Vincent Astor Foundation—$500,000
Bedford-Stuyvesant Restoration Corporation

countries include agricultural and rural development, community development, family planning, health and nutrition, housing construction, refugee assistance, relief and rehabilitation, vocational education and related projects, and distribution of food products, medical and agricultural supplies and equipment, clothing and textiles, and other items.

Some agencies are supported solely by the private sector; one example is the American Bureau for Medical Aid to China, which contributes to a broad program of medical training and health service for the Chinese people in Taiwan. Others receive support both from the private sector and from the U.S. Government; for example, government contracts and grants make up about three fourths of the income of VITA—Volunteers for International Technical Assistance—an organization that, utilizing the experience and services of volunteer professionals, responds to requests for technical assistance to economic and social development projects worldwide.

In 1973, 91 voluntary agencies were registered with AID's Advisory Committee, with income estimated at $678 million, an increase of $26 million over 1972. Of this, private contributions (dollars, supplies, and equipment) amounted to $471 million. U.S. Government support in the form of grants and contracts, overseas freight paid by the U.S. Government on donated and relief supplies, U.S. Government excess property, and PL 480 donated food, and transportation for this food, amounted to $207 million. It should be noted that the three largest agencies reporting accounted for 69 percent of the total $579 million of funds spent by all registered voluntary agencies in support of their overseas programs.

During 1973, more than 100 countries benefited from these programs. The largest amount of aid went to Asia. Latin America and Africa received lesser amounts. Some refugee and relief assistance was reported for Europe.

PL 480 food allocated to registered voluntary agencies in fiscal year 1973 amounted to $133 million compared

Expenditures for Overseas Programs of Major Voluntary Agencies

Agency	1972 (in millions)	1973 (in millions)
United Israel Appeal	$153	$177
Catholic Relief Services	123	115
CARE	107	105
American Jewish Joint Distribution Committee	20	21
Church World Service	24	20
Hadassah	9	12
Foster Parents Plan	9	10
Lutheran World Relief	8	7

Source: Agency for International Development

with $145 million reported by these agencies a year ago. The Food-for-Peace Program benefited some 87 million needy people in 98 countries. The two most extensive programs using these foods—which are purchased at current market prices by the Department of Agriculture—are operated by CARE and Catholic Relief Services. Because of food shortages in this country created in part by greatly increased farm exports in 1973 and rising food prices, the program was cut back in late summer. Until the commodity and price situation improves, it is expected that current overseas food allocations will be reduced.

International public service activities are of increasing concern to the **business community**, as companies expand their markets and operations overseas, and this concern is expressed in two ways, according to a recent Conference Board report. First, the headquarters company establishes policy and provides guidelines to its foreign affiliates on giving assistance to charitable activities in their countries. Second, the headquarters company frequently supports American and international organizations based in the United States that have public service programs in other countries.

Assistance is most frequent for programs in education and research; also supported are health and welfare projects, exchange programs for travel, study, or work abroad; arts and cultural programs; athletic programs; and civic and government programs. It is estimated that a little more than one percent of the corporate contributions budget goes to international affairs on the average, although it must be realized that the percentage varies according to a company's international investment and operations.

Foundation support to international affairs makes up about 10 percent of total foundation giving. In 1973, the Foundation Center recorded in its data bank $32.4 million, comprising 252 grants, contributed by private foundations to international activities, compared with

$41.6 million and 438 grants in 1972. Grants made directly abroad totaled $22.2 million and benefited 48 countries. The largest amount of aid, $7.9 million, went to Latin America and the Caribbean area; Asia received $6.3 million; Europe and the Middle East $4.9 million; Africa $1.9 million; and Canada $1.2 million.

By fields of interest, 39 percent was channeled to education; 23 percent for technical assistance; 14 percent for health and welfare; 13 percent for international studies; 7 percent for exchange of persons and cultural relations; 2 percent for peace and international cooperation; and 2 percent for relief and refugees.

The W. K. Kellogg Foundation made the largest, single grant—$1.5 million to the International Center of Tropical Agriculture in Cali, Colombia, to support its training, extension, and communications programs. Ford Foundation, the perennial leader among overseas donors, gave $1.3 million to the University of Delhi, India, for graduate-level research and training. Other major foundation grants are included in the adjacent chart.

Foundations have long played an important role in the international area. In the United States, programs of educational and cultural exchange have brought increased understanding among the peoples of the world; universities and colleges have benefited through endowed chairs and departmental grants in foreign area studies and language training; major international organizations have been able to enlarge their information programs and activities, thus expanding the horizons of many.

Abroad, grants have brought technology and know-how to underdeveloped nations; they have increased the food supply, established research centers, and alleviated disease. In many instances, foundation support with its flexibility has been able to accomplish progress in areas where others could not enter. Working together with both governments and private institutions in foreign lands, foundations are helping to solve both national and international problems.

Large Gifts to International Affairs—1973

Donor · Amount · Recipient · Purpose

William J. Levitt—$2 million
Music at Mishkenot in Israel

Walter N. H. Harding—$2 million
A collection of rare sheet music and books of this value to the *Bodleian Library, Oxford University*

Lawrence Tisch—$1 million
United Jewish Appeal

Rockefeller Foundation—$750,000
International Maize and Wheat Improvement Center
El Batan, Mexico

Grant Foundation—$355,000
Stanford University for studies of behavior of chimpanzees in natural habitat, Gombe National Park, Tanzania

Carnegie Corporation—$323,220
University of the South Pacific, Suva, Fiji

Ford Endowment—$300,000
Technoserve, Connecticut to support private sector, cooperative efforts among developing nations

Andrew W. Mellon Foundation—$300,000
Chinese University of Hong Kong

Rockefeller Brothers Fund—$180,000
Center for Inter-American Relations for general support of its information program on cultural and public affairs of Latin America

Jessie Smith Noyes Foundation—$118,500
University of São Paulo, Brazil, to support training center in social and preventive pediatrics

Ernest McCannon Clark Foundation—$106,950
Case Western Reserve University for a three-year program of research and training in schistosomiasis to be conducted in East Africa

Helena Rubinstein Foundation—$105,000
Weizmann Institute of Science, Rehovot, Israel, for research project on the study of new physiologic enzymes discovered through the use of synthetic polyamine acids

Organizations Related to Philanthropy

American Alumni Council
One Dupont Circle, N.W.
Washington, D.C. 20036

American Association of Museums
2233 Wisconsin Avenue, N.W.
Washington, D.C. 20007

American College Public Relations Assn.
One Dupont Circle, N.W.
Washington, D.C. 20036

American Council on Education
One Dupont Circle, N.W.
Washington, D.C. 20036

American Hospital Association
840 North Lake Shore Drive
Chicago, Ill. 60611

American Symphony Orchestra League
P.O. Box 66
Vienna, Va. 22180

Associated Councils of the Arts
1564 Broadway
New York, N.Y. 10036

Association of American Colleges
1818 R Street, N.W.
Washington, D.C. 20009

Business Committee for the Arts, Inc.
1270 Avenue of the Americas
New York, N.Y. 10020

Committee for Economic Development
477 Madison Avenue
New York, N.Y. 10022

Communications Information Bureau
225 Park Avenue South
New York, N.Y. 10010

Council for Financial Aid to Education, Inc.
680 Fifth Avenue
New York, N.Y. 10019

Council for Better Business Bureaus, Inc.
1150 17th Street
Washington, D.C. 20036

Council on Foundations, Inc.
888 Seventh Avenue
New York, N.Y. 10019

Council of Jewish Federations and Welfare Funds
315 Park Avenue South
New York, N.Y. 10010

Council of State Governments
36 West 44th Street
New York, N.Y. 10036

Federation of Protestant Welfare Agencies
281 Fourth Avenue
New York, N.Y. 10010

Foundation Center
888 Seventh Avenue
New York, N.Y. 10019

Independent College Funds of America, Inc.
5108 Empire State Building
New York, N.Y. 10001

National Assembly of National Voluntary Health and Social Welfare Organizations, Inc.
345 East 46th Street
New York, N.Y. 10017

National Association for Hospital Development
Box 5614
Tucson, Ariz. 85703

National Association of Independent Schools, Inc.
4 Liberty Square
Boston, Mass. 02184

National Catholic Development Conference
130 East 40th Street
New York, N.Y. 10016

National Catholic Education Association
One Dupont Circle, N.W.
Washington, D.C. 20036

National Catholic Stewardship Council
P.O. Box 733
Kansas City, Missouri 64141

National Catholic Welfare Conference
1312 Massachusetts Avenue, N.W.
Washington, D.C. 20005

National Center for Voluntary Action
1735 I Street, N.W.
Washington, D.C. 20006

National Council of Churches
475 Riverside Drive
New York, N.Y. 10027

National Council on Philanthropy
680 Fifth Avenue
New York, N.Y. 10019

National Health Council
1740 Broadway
New York, N.Y. 10019

National Information Bureau, Inc.
305 East 45th Street
New York, N.Y. 10017

National Public Relations Council of Health & Welfare Services, Inc.
815 Second Avenue
New York, N.Y. 10017

National Society of Fund Raisers
130 East 40th Street
New York, N.Y. 10016

Tax Foundation
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New York, N.Y. 10020

The Conference Board
845 Third Avenue
New York, N.Y. 10022

United Way of America
801 North Fairfax Street
Alexandria, Va. 22313

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